## **Department of Legislative Services**

Maryland General Assembly 2024 Session

## FISCAL AND POLICY NOTE First Reader

House Bill 623
Economic Matters

(Harford County Delegation)

### **Harford County - Alcoholic Beverages - Class L License**

This bill establishes a Class L beer and wine license in Harford County and authorizes the Harford County Board of License Commissioners to issue the license to the holder of a manufacturer's license. The license holder may sell beer and wine, for on-premises consumption, that is produced by the holder or another holder of a manufacturer's license issued and held in Harford County and that may be mixed with other beer and wine that is produced or manufactured in the county or nonalcoholic products, regardless of where the nonalcoholic products are produced or manufactured. The annual license fee is \$2,000. **The bill takes effect July 1, 2024.** 

### **Fiscal Summary**

State Effect: None.

**Local Effect:** Harford County revenues increase to the extent the board issues Class L beer and wine licenses under this bill. Harford County can handle any additional enforcement activity with existing resources.

**Small Business Effect:** Minimal overall, but potentially meaningful for any small business manufacturers that obtain a Class L beer and wine license under the bill.

# **Analysis**

**Bill Summary:** A Class L beer and wine license holder must retain, for two years after the date of purchase, invoices and any records of the purchase of any alcoholic beverages not manufactured by the license holder. A license holder is not required to sell food but is required to provide prepackaged snacks.

The hours of sale for a Class L beer and wine license are the same as those for the underlying manufacturer's license.

A license holder may hold another license or permit issued by the board to sell products the license holder produces to the extent the license holder is authorized under the holder's manufacturer's license.

**Local Fiscal Effect:** The annual license fee for a Class L beer and wine license is \$2,000. Harford County estimates that up to four breweries within the county may obtain Class L beer and wine licenses in fiscal 2025. Therefore, Harford County license fee revenues increase by up to \$8,000 beginning in fiscal 2025.

#### **Additional Information**

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

**Designated Cross File:** SB 735 (Harford County Senators) - Finance.

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

**Fiscal Note History:** First Reader - February 14, 2024

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