

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

Senate Bill 456 (Senator Della)
Economic and Environmental Affairs

Baltimore City (46th and 47th Alcoholic Beverages Districts) - Alcoholic Beverages Licenses - Restrictions

This bill adds the 46th Alcoholic Beverages District of Baltimore City to provisions of law relating to the issuance of new licenses and restrictions on licensees in the 47th district. The bill also increases from \$250,000 to \$500,000 the minimum capital investment that a restaurant is required to have in order to qualify for an exemption from the prohibition against the issuance of a new license in these districts. This minimum investment cannot include the costs of improvements that are not to the interior of the building. The restaurant may have a maximum seating capacity of 150 persons.

The bill also requires that food sales in restaurants with Class B beer, wine, and liquor licenses be at least 51% of total daily receipts in these districts. At the time of renewal, licensees must file with the Board of License Commissioners a statement of average daily receipts and an affidavit of a licensed certified public accountant that verifies that the licensee has met the food sales requirement. A license may not be transferred to a different location or issued to a fast food style restaurant.

Fiscal Summary

State Effect: None.

Local Effect: None. Additional fine revenue from licensees that do not meet the bill's requirements is not expected. The Board of License Commissioners could monitor licensees with existing resources.

Small Business Effect: Potential meaningful.

Fiscal Analysis

Small Business Effect: Although the exact number of Class B licensees in the 46th and 47th Alcoholic Beverages Districts is not known, it is assumed that most would be considered small businesses. The bill requires a licensee to file a statement of average daily receipts and an affidavit of a licensed certified public accountant that verifies that the licensee has met the food sales requirement. To the extent that some licensees will have to hire a certified public accountant to file an affidavit, these businesses will be negatively impacted. A licensee that does not have at least 51% of its average daily receipts in food sales will be subject to disciplinary actions including fines and or revocation of the license. It is expected that licensees will meet the food sales requirement of the bill.

Information Source(s): Baltimore City, Department of Legislative Services

Fiscal Note History:	First Reader - March 12, 1999
ncs/jr	Revised - Senate Third Reader - March 24, 1999

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