

Department of Legislative Services  
Maryland General Assembly  
2000 Session

FISCAL NOTE  
Revised

Senate Bill 280 (Senator Baker)  
Economic and Environmental Affairs

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Kent County - Alcoholic Beverages - Licensees

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This bill addresses alcoholic beverages regulations and licenses in Kent County.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Kent County would realize an additional \$100 per year in annual licensing fee revenue for each additional caterer's license issued. The Board of License Commissioners of Kent County could monitor additional licensees and enforce additional regulations with existing resources.

**Small Business Effect:** Potential meaningful.

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Analysis

**Bill Summary:** The bill authorizes the Kent County Board of License Commissioners to issue a caterer's license to the holder of a Class B restaurant or hotel (on-sale) beer and light wine license.

The bill also increases to one year the amount of time that the Board of License Commissioners of Kent County must wait before it can issue a license to a premises that has previously had a license application refused. If a subsequent application is refused, regardless of how much time has elapsed since the first refusal, the board must then wait two years from the subsequent refusal date before it may issue a license to the premises. The waiting periods do not apply to applications: (1) that are rejected because of a legal defect or an omission; (2) that are refused solely because the wrong person is named on the

application; or (3) for license transfers.

Additionally, the bill changes to 9 a.m. the time at which a Class B or Class C licensed premises in Kent County may begin serving alcoholic beverages on Sundays.

The bill makes a technical correction to properly identify the section of law that defines restaurants in Kent County.

Finally, the bill provides that either the alcoholic beverages licensee or a supervisor employed by the licensee must be: (1) certified by an approved alcohol awareness program; and (2) present at the licensed premises during the hours that alcoholic beverages are sold. The licensee or supervisor may be absent for up to two hours as long as a log book is kept detailing the length of time and reason for each absence. This provision is effective July 1, 2001.

**Current Law:** A caterer's license may only be issued to the holder of a Class B restaurant or hotel (on-sale) beer, wine, and liquor license. A caterer's license allows its holder to serve alcoholic beverages at events held away from the licensed premises. Licensees must also provide food at catered events.

Following a six-month wait, the Board of License Commissioners of Kent County may issue a license to a premises that has been refused a license. If, within two years of the first refusal, an application to license the premises is again refused, no new applications for the premises can be considered for two years.

Class B (on-sale) restaurant licensees may begin serving alcoholic beverages at 12 noon on Sundays. Class C (on-sale) club licensees may begin serving alcoholic beverages at 11 a.m.

The holder of any class of retail alcoholic beverages license or an employee designated by the licensee must complete training in an approved alcohol awareness program every four years. Only in Harford, Howard, and Montgomery counties is the licensee or a supervisor authorized by the licensee required to be certified and present at the licensed establishment at all times when alcohol is served. Among these counties, only Howard County allows the licensee or supervisor to be away from the licensed premises for up to two hours.

**Local Revenues:** Kent County would realize an additional \$100 per year in licensing fee revenues for each additional caterer's license issued. The county expects only one current license holder to apply for the license as a result of the bill. There is no application fee for the license.

**Small Business Effect:** Small restaurant businesses holding only beer and light wine licenses could expand operations to include catering outside the restaurant. Currently, only one small business in Kent County is expected to obtain a caterer's license under the bill's provisions, but future small businesses may also benefit. The minimal increase in competition may have a slight impact on small businesses currently holding a caterer's license in the Kent County area.

Small business owners attempting to obtain any alcoholic beverages license would be forced to wait longer to reapply if an initial application fails. A substantial delay in acquiring a license could have a significant impact on a business' profits.

Small restaurant businesses with Class B licenses wishing to serve alcoholic beverages in conjunction with a Sunday brunch or breakfast would benefit from the earlier serving times. Restaurants not currently open on Sunday mornings may want to open earlier but would have to offset new revenues with increased expenses. Restaurants that are already open Sunday mornings could realize additional revenues with only a minimal increase in expenses. Class C clubs could also benefit from similar breakfast and brunch events.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Kent County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 8, 2000  
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