

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**

House Bill 596

(Frederick County Delegation)

Economic Matters

Economic and Environmental Affairs

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**Frederick County - Alcoholic Beverages - Caterer's License**

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This bill authorizes the Board of License Commissioners of Frederick County to issue a caterer's license to a holder of a Class B restaurant or hotel (on-sale) beer, wine, and liquor license. The annual license fee is set at \$1,500. The caterer's license enables a licensee to provide alcoholic beverages at publicly or privately sponsored events that are held off the premises covered by the Class B restaurant or hotel (on-sale) license.

The caterer must prepare, deliver, and provide food as well as alcoholic beverages at the catered event. Alcoholic beverages must be served by the caterer's employees and at least one employee must be certified by an alcohol awareness program and be on the premises at all times during the catered event. All alcoholic beverages must remain in the possession of the licensee and be returned to the premises covered by the Class B restaurant or hotel license after the catered event. The caterer's license is only effective during the same hours as a Class B restaurant or hotel (on-sale) beer, wine, or liquor license. An individual holding an existing Class B (on-sale) beer, wine, and liquor license does not need a caterer's license to cater an event on the premises that is covered by the existing Class B license. The county health department must approve the facilities that prepare the food before the license may be issued, reissued, or renewed.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Frederick County revenues could increase by \$1,500 for each caterer's license issued. Issuing and monitoring caterer's licenses could be handled with existing resources.

**Small Business Effect:** Potential meaningful.

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### **Analysis**

**Current Law:** There is no caterer's license in Frederick County. The hours of operation for a Class B restaurant and hotel (on-sale) beer, wine, and liquor license are from 6 a.m. to 2 a.m. daily except on Sundays when the hours are 11 a.m. to 2 a.m.

**Local Fiscal Effect:** Frederick County revenues could increase by \$1,500 for each caterer's license issued. Frederick County anticipates that five businesses would apply for the caterer's license, resulting in a \$7,500 annual increase in county revenues.

**Small Business Effect:** This bill allows a holder of a Class B restaurant or hotel (on-sale) beer, wine, and liquor license to expand operations to include catering outside the restaurant or hotel. Currently, only five small businesses in Frederick County are expected to obtain a caterer's license under the bill's provisions, but other businesses may also benefit.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader – February 27, 2001  
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