

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 724
Economic Matters

(Montgomery County Delegation)

Education, Health, and Environmental Affairs

Montgomery County - Alcoholic Beverages - Special Class B-BWL (Performing Arts Facility) License
MC 201-02

This bill creates a special Class B-BWL (performing arts facility) alcoholic beverages license in Montgomery County. The annual fee for a special Class B-BWL license is \$1,000.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County revenues would increase by \$700 for each special Class B-BWL license application and \$1,000 annually for each special Class B-BWL license issued. Montgomery County revenues could increase further due to the sale of alcoholic beverages. Montgomery County expenditures would increase by \$700 for each application for publication costs and criminal background checks.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: An entity that leases a performing arts center may apply for a special Class B-BWL license if the facility has: (1) a minimum capital investment exclusive of real property of at least \$1 million; (2) a minimum capacity of 2,000 persons; and (3) a food service facility permit and 40 seats in a food service area.

The licensee is authorized to sell beer, wine, and liquor by the drink from one or more outlets on the licensed premises for consumption on the premises. The licensee may sell alcoholic beverages from 10 a.m. on any day until 2 a.m. the following day. The licensee is prohibited from selling alcoholic beverages at a high school graduation or a community meeting held without food service.

The Montgomery County Board of License Commissioners: (1) may impose conditions on the issuance or renewal of a special Class B-BWL license as to where alcoholic beverages may be consumed; and (2) may not approve the transfer of a special Class B-BWL license to another location.

Current Law: There is no special Class B-BWL performing arts facility license in Montgomery County.

Background: Queen Anne's and Wicomico counties have similar Class B-BWL licenses for performing arts facilities.

In Maryland, an applicant for an alcoholic beverages license must pay the publishing cost of the application notice. Also, in Montgomery County, the Board of License Commissioners is required to obtain criminal records of alcoholic beverages license applicants; however, the applicant must pay the associated costs.

Local Revenues: Montgomery County revenues would increase by \$700 for each special Class B-BWL license applied for and by \$1,000 annually for each special Class B-BWL license granted. The number of licenses to be issued is unknown; however, if one special Class B-BWL license is applied for and granted, Montgomery County revenues would increase by \$1,700. The Montgomery County Board of License Commissioners advises that it expects only one venue, Strathmore Hall, to apply for a special Class B-BWL license in Montgomery County. Strathmore Hall, located in North Bethesda, will seat 2,000 persons and will be completed and open for performances in 2004.

Additional revenue would also be realized because the licensee would be required to purchase alcoholic beverages from county liquor stores. Montgomery County advises that alcoholic beverage sale revenues could increase by up to \$1.5 million depending on the number of events, attendance at events, and consumption at events held at special Class B-BWL licensed facilities.

Local Expenditures: Montgomery County expenditures would increase by \$500 for publishing the notice of application for an alcoholic beverages license and by \$200 to obtain criminal records from the Department of Public Safety and Correctional Service's

Criminal Justice Information System Central Repository and to transmit the applicant's fingerprints to the Federal Bureau of Investigation. Monitoring of special Class B-BWL licenses could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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