

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 72

(Senators Green and Giannetti)

Education, Health, and Environmental Affairs

Economic Matters

Prince George's County - Alcoholic Beverages - Bottle Clubs

This bill prohibits a bottle club in Prince George's County from giving, serving, dispensing, keeping, or allowing alcoholic beverages or component parts of mixed drinks to be consumed by patrons after the legal closing hours for licensed establishments. It also extends the prohibitions against nudity and sexual displays to these establishments.

The bill takes effect June 1, 2006.

Fiscal Summary

State Effect: Potential minimal operational impact on the Prince George's County District Court. No effect on revenues.

Local Effect: Potential increase in Prince George's County fine revenue from fines remitted to the county from the District Court as a result of the bill's penalty provision. The bill should not affect county expenditures.

Small Business Effect: Minimal.

Analysis

Bill Summary: A "bottle club" is defined as an unlicensed establishment that serves, gives, or allows alcoholic beverages to be consumed by patrons from supplies that the patrons have previously purchased or reserved.

The bill authorizes a Prince George's County alcoholic beverages inspector to issue a civil citation to a suspected violator of the bill's provisions. A violation is a code

violation and a civil offense. Upon conviction of a code violation in the District Court, the violator is subject to a fine up to \$5,000 for a first violation and \$10,000 for a subsequent violation.

The defendant is liable for the court costs and for payment to the criminal injuries compensation fund. Court costs are \$20 in a code violation case in which costs are imposed.

Current Law: As stated in Article 2B, § 11-303, in general, the closing hours for establishments holding beer, wine, and liquor licenses are as follows:

- Class A license (off-sale) – 6:00 a.m. to midnight, except Sundays;
- Class B license (on-sale) (Hotels and Restaurants) – 6:00 a.m. to 2:00 a.m. the following day;
- Class C license (on-sale)(Clubs) – 6:00 a.m. to 2:00 a.m. the following day; and
- Class D license (on-sale) – 6:00 a.m. to midnight.

Article 2B, § 10-405 contains a number of detailed provisions expounding upon what constitutes nudity and sexual displays. In a number of counties, including Prince George’s (with certain exceptions), an alcoholic beverages license must be revoked if the licensee violates the provisions regarding nudity and sexual displays on the licensed premises.

Background: A number of counties place certain restrictions upon the operation of bottle clubs. Among these jurisdictions are Baltimore City and Anne Arundel, Baltimore, Charles, Frederick, Montgomery, and St. Mary’s counties.

State Fiscal Effect: The precise operational impact on the District Court as a result of this bill cannot be reliably quantified at this time, as it would depend on the number of new cases heard. In any event, it is assumed that the number of new cases would not be significant, and any operational impact would be absorbable within existing resources.

Local Fiscal Effect: Fine revenue collected by the District Court as a result of the penalty provisions of this bill would be remitted to the county. As a result, Prince George’s County fine revenue would increase. The extent to which fine revenues would increase cannot be reliably quantified at this time, as it depends on the number of convictions for violations of the bill’s provisions and the fine imposed by the court.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Judiciary (Administrative Office of the Courts), Department of Legislative Services

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