

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1703 (Chairman, Baltimore County Delegation, *et al.*)
(By Request – Baltimore County Administration)

Economic Matters

Education, Health, and Environmental Affairs

**Baltimore County - Alcoholic Beverages Licenses - Transfers into Towson
Commercial Revitalization District**

This bill allows the Baltimore County Board of Liquor License Commissioners to authorize the transfer of not more than two, valid Class B or D beer, wine, and liquor (on-sale) licenses issued on or before December 31, 2005, that are not otherwise prohibited from being transferred, from specified election districts in the county to the Towson Commercial Revitalization District as defined by the Baltimore County Council. Upon transfer, a license is converted into a Class B (B, W, L) (TCRD) license and may not be construed to exist in the election district from which it originated.

The bill takes effect June 1, 2006 and terminates at the end of December 31, 2009.

Fiscal Summary

State Effect: None.

Local Effect: None. The bill would not directly affect Baltimore County government finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: The licenses may be transferred without regard to license population quota limitations, though are considered regular licenses and not exception licenses for

the purpose of determining the total number of licenses available in any election district according to license population quota limitations set by the board. The license issuance requirements, license fee, minimum square foot area requirement for food and beverage preparation and consumption, and days and hours of sale for a Class B (B, W, L) (TCRD) license are the same as those for a Class B beer, wine, and liquor (on-sale) hotel and restaurant license. The license must be used in conjunction with a restaurant which must maintain average daily receipts from the sale of food that are at least 70% of the total daily receipts of the restaurant. The bar area seating capacity of the restaurant may not exceed 25% of the total seating capacity and the restaurant area must have a minimum seating capacity of 100 persons. The hours during which the privileges of the license are exercised may not exceed the hours during which food is offered for sale. An applicant for transfer of a Class B or D license and issuance of a Class B (B, W, L) (TCRD) license must demonstrate that the restaurant has a minimum capital investment of \$500,000. A Class B (B, W, L) (TCRD) license may not be transferred from the location of its issuance or be converted to another class of license.

Current Law: The license fee for a Class B beer, wine, and liquor (on-sale) hotel and restaurant license in Baltimore County is \$1,000. The area of the licensed premises normally used as a restaurant for the preparation and consumption of food must not occupy less than 80% of the square footage of the premises if the license was issued after 1966. The privileges of the Class B license may be exercised from 6 a.m. to 2 a.m. on the following day.

Subject to exceptions, the maximum number of allowable alcoholic beverages licenses in a single election district in Baltimore County, pursuant to the Baltimore County Board of Liquor License Commissioners' Rules and Regulations, is limited to one on-sale license, excluding club licenses, for every 2,500 people and one off-sale license for every 4,000 people.

Background: Chapter 365 of 2003 authorized two alcoholic beverages licenses that were not Class A or Class C licenses to be transferred to the Towson Revitalization District and converted to Class B (TRD) licenses. The Act took effect October 1, 2003 and terminated December 31, 2004. One license was transferred pursuant to the Act.

Additional Information

Prior Introductions: None.

Cross File: SB 1063 (Senators Brochin and Stone) (By Request – Baltimore County Administration) – Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - March 14, 2006
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