

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

House Bill 1266
Economic Matters

(Delegate Beitzel)

Education, Health, and Environmental
Affairs

Garrett County - Alcoholic Beverages - Class BDR (Deluxe Restaurant) License

This bill authorizes the Garrett County Board of License Commissioners to issue a Class BDR (deluxe restaurant) beer, wine, and liquor license.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: None.

Local Effect: Garrett County revenues could increase by \$4,500 in FY 2008 and \$2,250 on an annualization basis for each new license granted. Assuming the county issues three new Class BDR licenses, county revenues would increase by \$13,500 in FY 2008 and \$6,750 on an annualized basis. Expenditures would not be affected.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The Garrett County Board of License Commissioners may issue a Class BDR (deluxe restaurant) beer, wine, and liquor license to a restaurant with a minimum capital investment of \$250,000, not including the cost of land and buildings. The establishment must have a minimum seating capacity for 85 persons. The one-time issuing fee for a new Class BDR license is \$2,250 in addition to the annual fee of \$2,250.

A Class BDR license may be issued to an applicant who already holds a standard or resort Class B beer, wine, and liquor license. A holder of a Class BDR license may also acquire a catering option for \$500, which allows the holder to sell beer, wine, and liquor for consumption at events catered by the licensee off the licensed premises.

Holders of a Class BDR license are generally permitted to sell alcoholic beverages beginning at 6:00 a.m. Monday through Saturday through 2:00 a.m. the following day.

Current Law: A Class B beer, wine, and liquor license may be issued to a motel, hotel, or restaurant in Garrett County that meets certain size and capacity requirements. In addition to on-premises sales, the holder of the license is authorized to sell brewed beverages for off-premises consumption. The annual fee for the license is \$1,500, in addition to a one-time issuance fee of \$1,500.

A catering option is also available to Class B beer, wine, and liquor licensees, which allows the holder to sell beer, wine, and liquor for consumption at events catered by the licensee off the licensed premises. The licensee is required to provide food at the event and may not sell brewed beverages for off-premises consumption. The annual fee for a Class B license that includes a catering option is \$2,000, in addition to a one-time issuance fee of \$2,000.

Holders of a Class B license are generally permitted to sell alcoholic beverages beginning at 6:00 a.m. Monday through Saturday through 2:00 a.m. the following day.

Local Fiscal Effect: Garrett County advises that a minimum of three establishments would qualify for a Class BDR license. This would result in an additional \$13,500 in application and annual licensing fees in the first year and \$6,750 in licensing fees on an annualized basis. The actual impact on county revenues would depend on the number of establishments applying for the license, catering options, and whether applicants chose to maintain existing licenses, if applicable. Any additional licensing activity could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 16, 2007
ncs/hlb

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