

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 382
Economic Matters

(Cecil County Delegation)

Education, Health, and Environmental
Affairs

Cecil County - Alcoholic Beverages - Restaurants - Percentage of Receipts from
Food Sales

This bill reduces, from 51% to 25%, the minimum percentage of annual business receipts from the sale of food that is required for an establishment to be considered a restaurant in Cecil County and thus eligible to serve alcoholic beverages on premises on Sundays.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: None.

Local Effect: Cecil County revenues would increase by at least \$5,000 annually beginning in FY 2009 from the increase in alcoholic beverage license fees collected. Expenditures would not be affected.

Small Business Effect: None.

Analysis

Current Law: In Cecil County, it is lawful for restaurants that hold a Class B or Class D license to sell alcoholic beverages on Sundays for on-sale consumption. On-premises consumption is permitted between 8 a.m. and 11 p.m. for holders of a Class B license, and between 1 p.m. and 10 p.m. for holders of a Class D license. There is an additional \$500 fee for these privileges.

To be considered a restaurant, the licensee must be approved by the board of license commissioners and the restaurant must be fully equipped to serve meals and derive at least 51% of its annual business receipts from the sale of food.

Local Revenues: Cecil County revenues would increase by \$5,000 annually beginning in fiscal 2009. Cecil County advises that there are currently 10 establishments seeking to sell alcoholic beverages on Sundays for on-sale consumption that are currently unable to. Should additional restaurants be licensed in future years, revenues would increase an additional \$500 per licensee. Enforcement could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 14, 2008
ncs/hlb

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