

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 1527
Economic Matters

(Delegate Walker, *et al.*)

Alcoholic Beverages - Party Promoter's License

This bill establishes a party promoter's license and requires an individual to obtain the license before organizing or holding a party in the State at which: (1) alcoholic beverages are to be served or consumed; (2) at least 50 individuals are expected to attend; and (3) an admission fee is to be charged.

Fiscal Summary

State Effect: General fund revenues increase by \$500 for each new license issued. Potential minimal increase in general fund revenues for fines imposed from cases heard in the District Court. Enforcement can be handled with existing resources.

Local Effect: None.

Small Business Effect: Minimal. Small businesses engaged in party promoting will need to obtain a license.

Analysis

Bill Summary: The party promoter's license established by this bill is to be issued by the Comptroller. The annual license fee is \$500. For each party, a holder of the license must:

- ensure that an individual who has completed training in a specified alcohol awareness program is present during the hours in which alcohol is served or consumed; and

- provide adequate security for the safety of individuals in attendance by employing a licensed security guard agency.

The bill also establishes that a person who violates this bill's provisions is guilty of a misdemeanor and subject to the suspension or revocation of the party promoter's license and/or a maximum fine of \$1,000. The Comptroller is required to adopt implementing regulations.

Current Law: There is no party promoter's license in Maryland.

Background: Alcohol awareness programs are approved and certified by the State Comptroller. The programs must:

- include instruction on how alcohol affects a person's body and behavior;
- provide education on the dangers of drinking and driving; and
- define effective methods for (1) serving customers to minimize the chance of intoxication; (2) ceasing service before a customer becomes intoxicated; and (3) determining if a customer is under the drinking age.

According to the Annual Comptroller's Report, there were 21 permits issued in fiscal 2008 for alcohol awareness programs.

A person must be licensed by the Secretary of State Police as a security guard agency before the person may (1) conduct a business that provides security guard services in the State and (2) solicit to engage in a business that provides security guard services in the State. An individual or a firm may qualify for a license as a security guard agency.

State Fiscal Effect: There is no reliable data on the number of individuals currently engaged in party promoting who would require a license under this bill's provisions. General fund revenues increase by \$500 annually for each new license issued.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office, Department of Legislative Services

Fiscal Note History: First Reader - March 19, 2009
mlm/mwc

Analysis by: Jennifer K. Botts

Direct Inquiries to:
(410) 946-5510
(301) 970-5510