

**Department of Legislative Services**  
Maryland General Assembly  
2010 Session

**FISCAL AND POLICY NOTE**

House Bill 730  
Economic Matters

(Howard County Delegation)  
Education, Health, and Environmental Affairs

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**Howard County - Alcoholic Beverages Act of 2010**  
**Ho. Co. 3-10**

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This bill establishes a Class B special beer and wine (B-SBW) (off-sale) license in Howard County.

The bill takes effect July 1, 2010.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Howard County revenues increase by a maximum of \$75,000 annually beginning in FY 2011. County expenditures are not affected.

**Small Business Effect:** Potential meaningful for a business that is able to obtain a Class B-SBW license.

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**Analysis**

**Bill Summary:** The board of license commissioners may issue a Class B-SBW license only to a holder of a Class B beer, wine, and liquor (seven-day) (on-sale) license that is issued for a restaurant. The term of a Class B-SBW license issued to a successful applicant must be the same as that of the Class B beer, wine, and liquor license that the applicant holds.

Prior to issuance of a license, the applicant must complete a form that the board of license commissioners provides and pay an annual license fee of \$500. The same advertising,

posting of notice, and public hearing requirements as those for other Class B licenses must be met. A holder of a Class B-SBW license may sell beer and wine for consumption off the licensed premises only to persons who have purchased food or alcohol from the licensed premises. A Class B-SBW license holder may not display or provide shelving for beer or wine for off-premises sales in areas of the establishment that are accessible to the public. Off-sale alcoholic beverages receipts collected under a Class B-SBW license must be included in the calculation of average daily receipts from the sale of alcohol under provisions of law that define “restaurant.”

The hours for sale for a Class B-SBW license are from 10 a.m. to midnight, Monday through Sunday. A holder of a Class B-SBW license may exercise the privileges of the license only if the licensed premises is open for business as a restaurant. The board of license commissioners may adopt regulations to carry out the provisions of this bill, including a limit on the number of licenses to be issued.

The bill also authorizes a holder of a Class A, B, or C license in Howard County to employ an individual who is at least 18 years old to sell or serve alcoholic beverages.

**Current Law:** A Class B beer, wine, and liquor (on-sale) license generally authorizes the holder to keep for sale and sell alcoholic beverages at retail at any hotel or restaurant at the place described in the license for consumption on the premises or elsewhere.

In addition to other requirements, in order to meet the statutory definition of a “restaurant” an establishment must have average daily receipts from the sale of food that exceed the average daily receipts from the sale of alcoholic beverages.

**Local Revenues:** Howard County advises that there are currently 150 Class B license holders in Howard County that are eligible to apply for the new Class B-SBW license. Revenues increase by \$500 for each new license issued. If all of the eligible Class B license holders apply for, and are issued a new license, county revenues will increase by \$75,000 annually beginning in fiscal 2011.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Howard County, Comptroller’s Office, Department of Legislative Services

**Fiscal Note History:** First Reader - February 18, 2010  
mpc/hlb

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