

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE
Revised

House Bill 391

(Delegate Lafferty, *et al.*)

Economic Matters

Education, Health, and Environmental Affairs

Baltimore County - Towson Commercial Revitalization District - Alcoholic
Beverages Licenses - Restaurants

This bill alters requirements in Baltimore County relating to the capital investment, average daily receipts, and seating capacity for some restaurants that apply for the transfer of a Class B or Class D license and the issuance of a Class B (beer, wine, liquor) license for use in the Towson Commercial Revitalization District (TCRD).

The bill takes effect June 1, 2010.

Fiscal Summary

State Effect: None.

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

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law: The Baltimore County Board of Liquor License Commissioners may authorize the transfer of up to 10 beer, wine, and liquor (on-sale) licenses into TCRD if the licenses meet specified criteria. Under current law, an applicant for transfer of a Class B or Class D license and issuance of a Class B (beer, wine, liquor) (TCRD) license must demonstrate to the board that the restaurant has a minimum capital investment of \$500,000, excluding the cost of the land and building shell. The restaurant operation must maintain average daily receipts from the sale of food

that are at least 65% of the total daily receipts of the restaurant. The area dedicated to the restaurant operation must have a minimum seating capacity of 100 persons.

HB 391 creates an exception to the minimum seating capacity and average daily receipts requirement and repeals the provision relating to the minimum capital investment requirement. Instead, HB 391 establishes that the board may require that for not more than seven restaurants, applicants for license transfer and issuance must demonstrate a minimum capital investment of \$500,000, excluding the costs of the land and building shell. For not more than three restaurants, the board may require that applicants for license transfer and issuance: (1) demonstrate a capital investment, excluding the costs of the land and building shell, of not less than \$50,000 or more than \$400,000; (2) maintain average daily receipts from the sale of food that are at least 70% of the total daily receipts of the restaurant; and (3) have a minimum seating capacity of 40 persons and a maximum seating capacity of 100 persons in the area dedicated to restaurant operations, with the seating capacity in the bar area not exceeding 15% of the total seating capacity of the restaurant.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2010
mlm/hlb Revised - House Third Reader - March 26, 2010

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