# **Department of Legislative Services**

Maryland General Assembly 2011 Session

### FISCAL AND POLICY NOTE Revised

(Senators Pipkin and Colburn)

Education, Health, and Environmental Affairs

**Economic Matters** 

### **Caroline County - Alcoholic Beverages Act of 2011**

This bill alters the hours of sale for alcoholic beverages in Caroline County by establishing uniform operating hours of 6 a.m. to 2 a.m., Monday through Sunday, for the following classes of alcoholic beverages licenses: all Class A, C, and D licenses; Class B beer; Class B 7-day beer, wine, and liquor; Class GC 7-day (golf course) beer, wine, and liquor; and Class H beer and light wine.

The number of times in a calendar year that a Class BWTS beer and wine (on-premises) tasting or sampling license may be granted to an individual in Caroline County is increased from 12 to 26. The bill also adds the requirement that a licensee in the county must have an employee certified by an approved alcohol awareness program to be present during hours in which alcohol may be sold. The training must be repeated every four years.

The bill takes effect July 1, 2011.

### **Fiscal Summary**

State Effect: None.

Senate Bill 102

**Local Effect:** Caroline County revenues from Class BWTS alcoholic beverages license may increase by a minimal amount beginning in FY 2012. Expenditures are not affected.

Small Business Effect: Potential meaningful.

#### Analysis

**Current Law: Exhibit 1** shows the current hours of sale for alcoholic beverages in Caroline County for the licenses impacted by the provisions of the bill.

### Exhibit 1 Current Hours of Sale for Alcoholic Beverages in Caroline County

| License  | Monday through Saturday <sup>1</sup>   | Sunday Hours   |
|--|--|--|
| Class A – all (7-day) licenses <sup>2</sup><br>Class B beer<br>Class B beer, wine, and liquor (7-day)<br>Class C beer<br>Class C beer and light wine<br>Class C beer, wine, and liquor<br>Class D beer<br>Class D beer<br>Class D beer, wine, and liquor<br>Class D beer, wine, and liquor<br>Class GC (7-day) | 6 a.m. to midnight<br>6 a.m. to midnight<br>6 a.m. to 2 a.m.<br>6 a.m. to 1 a.m.<br>6 a.m. to 1 a.m.<br>6 a.m. to 2 a.m.<br>6 a.m. to 2 a.m.<br>6 a.m. to 2 a.m.<br>6 a.m. to 2 a.m. | 8 a.m. to midnight<br>12 p.m. to midnight<br>12 p.m. to midnight<br>12 p.m. to midnight<br>6 a.m. to midnight<br>-<br>6 a.m. to midnight<br>1 p.m. to midnight<br>1 p.m. to midnight<br>1 p.m. to midnight |
| Class H beer and light wine  | 6 a.m. to 2 a.m.   | 12 p.m. to midnight  |

<sup>1</sup> Licensees with hours extending past midnight on Monday through Saturday may also sell alcoholic beverages authorized by their license until 1 a.m. or 2 a.m., as specified, on Sundays.

<sup>2</sup> Class A beer, wine, and liquor licensees may sell liquor only after 1 p.m. on Sundays.

 $^{3}$ 7-day licensees only.

In Howard, Kent, Montgomery, Washington, and Wicomico counties the holder of a retail alcoholic beverages license or an employee designated by the licensee must complete training in an approved alcohol awareness program. The training must be recompleted every four years. This requirement does not apply to a holder of a Class C license in Wicomico County.

A Class BWTS beer and wine (on-premises) 1-day tasting or sampling license may be granted to an individual in Caroline County that holds a Class C beer or Class C beer and wine license. The license fee is \$50 (per 1-day event) and may not be granted to an individual more than 12 times in a calendar year.

**Local Fiscal Effect:** As advised by Caroline County, the bill will make enforcement of alcoholic beverages laws easier by standardizing the hours of operation across different license classes. Revenues may increase by a minimal amount from an increase in the number of licenses sold for beer and wine tasting events. The maximum number of

SB 102/ Page 2

BWTS licenses granted to any one person last year was eight, so any increase in revenues is expected to be minimal.

**Small Business Effect:** Increasing the hours which certain retailers may sell alcoholic beverages may provide additional sales of alcoholic beverages by these stores. Additionally, increasing the number of times a licensee can have a beer or wine tasting event will allow the retailer to attract additional customers and provide additional opportunities to market new products to customers. As advised by Caroline County, training for alcohol awareness is offered free-of-charge to licensees.

## **Additional Information**

Prior Introductions: None.

Cross File: None.

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

| Fiscal Note History: | First Reader - February 24, 2011              |
|----------------------|---|
| ncs/hlb              | Revised - Senate Third Reader - April 1, 2011 |

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