

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 644

(Senator Edwards)

Education, Health, and Environmental Affairs

Economic Matters

Alcoholic Beverages - Allegany County - Class B-MB (Micro-Brewery/Restaurant) License

This bill establishes a special Class B-MB (micro-brewery/restaurant) license in Allegany County. The annual license fee is \$900. The Allegany Board of License Commissioners may issue a special Class B-MB license to a holder of a Class 7 (micro-brewery) manufacturer's license. The license holder may sell at retail beer and light wine by the drink or by the bottle for on-premises consumption and liquor by the drink for on-premises consumption, in areas including a banquet room or banquet facility that is on the licensed premises and on a patio that is part of the licensed premises. Alcoholic beverages may be sold for consumption on the premises on Monday through Saturday from 7 a.m. to 2 a.m. the following day, and on Sunday from 1 p.m. to 2 a.m. the following day. The license holder may also sell beer and light wine by the bottle for off-premises consumption on Monday through Saturday from 7 a.m. to 2 a.m. the following day.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: Allegany County revenues increase by \$900 for each Class B-MB license issued, assuming the licenses are issued to applicants that otherwise would not obtain a license. The annual license fee for an existing Class B beer, wine, and liquor license is \$800. Thus, to the extent applicants for a Class B-MB license would otherwise obtain a Class B beer, wine, and liquor license, county revenues increase by \$100 per license issued. Expenditures are not materially affected; any enforcement activities can be handled with existing resources.

Small Business Effect: Minimal overall but potential meaningful positive impact for any business that applies for and obtains a Class B-MB license.

Analysis

Current Law: In Maryland, Class B licenses allow licensees to sell alcoholic beverages in specified hotels and restaurants for consumption on or off premises. In Allegany County, the board may issue Class B beer, wine, and liquor licenses for on-premises consumption only. If the Class B license is used in conjunction with a Class 7 micro-brewery license, then the license must be issued for the exclusive use on the premises of a restaurant only. The annual license fee is \$800.

Class 7 micro-brewery (on- and off-sale) licenses are issued by the Comptroller's Office for use in several jurisdictions. In general, the license is issued only to a holder of a Class B beer, wine, and liquor (on-sale) license that is issued for use on the premises of a restaurant with exceptions in certain jurisdictions.

Background: In fiscal 2014, three Class B beer, wine, and liquor licenses were in effect for locations in Allegany County. Additionally, in fiscal 2014, there were 27 Class 7 micro-brewery licenses issued in the State, none of which were located in Allegany County.

Additional Information

Prior Introductions: None.

Cross File: HB 515 (Allegany County Delegation) - Economic Matters.

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

Fiscal Note History: First Reader - February 19, 2015
md/lgc

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