

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 797

(Washington County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Alcoholic Beverages - Washington County - Population Ratio Quota

This bill modifies the “population ratio quota” that applies to the issuance of specified alcoholic beverages licenses in Washington County. The bill reduces the number of licenses that may be issued from one alcoholic beverages license for every 1,000 individuals residing in the election district where the license is issued to one license for every 3,000 individuals residing in the election district where the license is issued.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Altering the population ratio quota does not materially affect Washington County revenues because the Washington County Board of License Commissioners may issue additional licenses regardless of the population ratio quota if it determines that there is a public need for the issuance of a license.

Small Business Effect: Overall minimal, but potential meaningful impact for small businesses that are unable to obtain an alcoholic beverages license under the bill.

Analysis

Current Law: In Washington County, the “population ratio quota” means one alcoholic beverages license for every 1,000 individuals, excluding individuals detained or confined in a correctional facility, residing in the election district where the license will be issued as determined by the last federal population census. A “restaurant” means an establishment that is in a permanent building, regularly sells and serves food to the general public, has a

seating capacity of at least 75 persons for a Class B alcoholic beverages (on-sale) license, or has a seating capacity of at least 50 persons for a Class P alcoholic beverages (on-sale) license, and annually has gross sales of food and nonalcoholic beverages that exceed its annual gross sales of alcoholic beverages.

Except for a Class P (on-sale) alcoholic beverages license issued to a restaurant and any license renewed or transferred for the same premises, an alcoholic beverages license may not be issued within an election district if the number of licenses exceeds the population ratio quota. The Washington County Board of License Commissioners, however, may issue additional licenses regardless of the population ratio quota if it determines that there is a public need for the issuance of a license, including government sanctioned economic revitalization.

Background: Exhibit 1 shows the population and number of licenses in each election district in Washington County.

Exhibit 1
Population and Licenses by Election District
2014

<u>District</u>	<u>Population</u>	<u>Licenses</u>	<u>District</u>	<u>Population</u>	<u>Licenses</u>
1	3,286	6	15	2,019	0
2	4,366	9	16	3,852	3
3	8,937	18	17	6,966	23
4	3,080	4	18	10,902	11
5	3,381	10	19	2,519	1
6	6,116	7	20	2,177	2
7	6,343	4	21	8,048	7
8	2,478	1	22	6,684	10
9	2,918	3	23	5,266	2
10	12,166	11	24	1,285	2
11	1,874	2	25	9,027	16
12	6,966	1	26	10,769	23
13	5,914	1	27	7,339	10
14	2,752	3			

Source: Washington County Board of License Commissioners

Additional Information

Prior Introductions: None.

Cross File: SB 630 (Washington County Senators) - Education, Health, and Environmental Affairs.

Information Source(s): Washington County, Department of Legislative Services

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

Analysis by: Nathan W. McCurdy

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