

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 670

(Senator Kasemeyer)

Education, Health, and Environmental Affairs

Economic Matters

Howard County - Alcoholic Beverages - Continuing Care Retirement
Community License

This bill alters the requirements to receive or renew a Class C (continuing care retirement community) beer, wine, and liquor (BWL) license in Howard County. The bill also authorizes residents of a continuing care retirement community and their guests to consume beer, wine, and liquor not purchased from the Class C (continuing care retirement community) license holder under specified circumstances.

The bill takes effect July 1, 2016.

Fiscal Summary

State Effect: None.

Local Effect: Verification of the revised application requirements can be carried out with existing resources. Any additional license issued under the bill can be monitored with existing resources.

Small Business Effect: Minimal overall, but potential meaningful to a continuing care retirement community owned by a small business newly able to apply for and receive a Class C (continuing care retirement community) BWL license.

Analysis

Bill Summary:

Application for a Corporation or Limited Liability Company

The bill creates an exemption from the requirements normally applicable to an application for an alcoholic beverages license by a corporation or limited liability company when the license sought is a Class C (continuing care retirement community) BWL license. The Howard County Board of License Commissioners may issue the license if the manager or supervisor of the continuing care retirement community is identified on the application, receives alcohol awareness training from an approved alcohol awareness training program, and is physically present at the continuing care retirement community on a full-time basis. The license must be issued to a manager or supervisor, as well as two officers, one of whom must have been a resident of the county for at least two years, and be a registered voter and taxpayer when the application is filed.

On-premises Consumption of Alcoholic Beverages Not Purchased from the License Holder

The bill also authorizes residents and guests to consume beer, wine, or liquor not purchased from the continuing care retirement community if the beer, wine, or liquor is consumed with a meal in the dining room, and the continuing care retirement community is operated by a nonprofit organization for the continuing care of individuals at least age 60, has been incorporated for at least one year, has obtained a certificate of registration from the Maryland Department of Aging, and prepares and serves meals during regular operating hours to residents and their guests.

Current Law:

Application for a Corporation or Limited Liability Company

With specified exceptions, an applicant for a new license for a corporation or limited liability company must certify that as long as the applicant is the holder of the license, the applicant will own at least 10% of the stock in the corporation or interest in the limited liability company, or serve as the manager or supervisor of the corporation or limited liability company, and be physically present when alcoholic beverages are being sold.

Continuing Care Retirement Community License

The board may issue a Class C BWL license to a continuing care retirement community that has obtained a certificate of registration from the Maryland Department of Aging and operates only for the use of its residents and guests of the community. The license

authorizes the license holder to sell beer, wine, and liquor to a resident or a guest of the community for on-premises consumption. The hours of sale are the same as for a Class C BWL license. The annual license fee is \$250.

On-premises Consumption of Alcoholic Beverages Not Purchased from the License Holder

Generally, a license holder may not allow an individual to consume, on the licensed premises, an alcoholic beverage that is not purchased on the premises from the license holder and not otherwise allowed to be consumed on the premises.

In Howard County, prohibitions against on-premises consumption of alcoholic beverages not purchased from a license holder do not apply to a social event, including a dance, wedding, or fundraiser, that is held in a hall rented from and located on the premises of a veterans organization that holds a license. However, the veterans organization may not sell or provide alcoholic beverages to the individuals attending the social event.

Background: In fiscal 2015, there were 293 alcoholic beverages licenses issued for use in Howard County.

Additional Information

Prior Introductions: None.

Cross File: Although HB 1090 (Howard County Delegation- Economic Matters) is identified as a cross file, the bills are not identical.

Information Source(s): Howard County, Maryland Department of Aging, Department of Legislative Services

Fiscal Note History: First Reader - February 24, 2016
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