

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1445
Economic Matters

(Delegates Reilly and Cassilly)

Harford County - Alcoholic Beverages - Cigar Shop Licenses

This bill establishes a cigar shop beer, wine, and liquor license in Harford County, and authorizes the Harford County Board of License Commissioners to issue the license for use by a cigar shop that derives at least 70% of its revenue from the sale of cigars. The license authorizes a holder to sell beer, wine, and liquor to a customer who is at least 21 years of age and who is a member, or a guest of a member, of the license holder's cigar shop. Alcoholic beverages may only be consumed in the smoking room of the cigar shop, and only between 4 p.m. and midnight. The average daily receipts from the sale of alcoholic beverages may not exceed 20% of the average daily receipts of the business. The sale of marijuana at the licensed premises is prohibited. The license holder is subject to specified alcohol awareness training requirements, and the license may not be transferred to another location. The annual license fee is \$500.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues increase by a minimal amount from application fees, license fees, and renewal fees. Harford County can monitor new licenses with existing resources.

Small Business Effect: Minimal overall, but potential meaningful impact on a cigar shop that applies for and receives a license.

Analysis

Current Law: In Maryland, alcoholic beverage licenses are granted by each jurisdiction's board of license commissioners to permit the sale and consumption of alcohol at specified places such as restaurants, taverns, hotels, clubs, or places of public entertainment. Other types of establishments cannot normally acquire a license but may be granted eligibility to apply.

Alcohol Awareness Training

Generally, for a premises that is licensed to sell alcoholic beverages with an off-sale privilege, or a premises that is licensed with on-sale privileges and sells alcoholic beverages directly to a customer from a bar or service bar, the license holder or specified employees must complete training in an approved alcohol awareness program in order to obtain and retain their alcoholic beverages license. The training program must be approved and certified by the Comptroller, and it must provide information on how alcohol affects a person's body and behavior, the dangers of drinking and driving, refusing service before a customer becomes intoxicated, and determining if a customer is old enough to legally consume alcohol. The training is valid for four years.

Background: In fiscal 2016, 196 alcoholic beverages licenses were issued for use in Harford County. Harford County advises that one cigar shop has inquired about purchasing a license to serve alcoholic beverages.

Local Revenues: Harford County revenues increase by \$500 for each new license issued, in addition to any application fees. Future year revenues only include annual license fees and any renewal fees established by the board.

Additional Information

Prior Introductions: None.

Cross File: Although designated as a cross file, SB 775 (Harford County Senators - Education, Health, and Environmental Affairs) is different.

Information Source(s): Harford County; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2017
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