

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 897

(Senator Astle)

Education, Health, and Environmental Affairs

Economic Matters

Anne Arundel County - Alcoholic Beverages - Class H Beer and Light Wine Licenses

This bill increases, from two to five, the maximum number of Class H alcoholic beverages licenses the Anne Arundel County Board of License Commissioners may issue to a single license holder under specified conditions. The bill clarifies that the board may issue any Class H license as a second license to the holder of any Class B license that has a restriction prohibiting the sales for consumption off premises, or a holder of any Class H license. The bill only authorizes the board to issue up to four additional licenses to a holder of a Class B beer and light wine license that has a restriction prohibiting sales for consumption off premises, or a holder of a Class H beer and light wine license, if each additional license is a Class H beer and light wine license.

The bill takes effect July 1, 2017.

Fiscal Summary

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

Local Effect: To the extent that the bill results in additional applications for and issuance of Class H alcoholic beverages licenses in Anne Arundel County, county revenues increase due to applicable filing and annual licensing fees. Monitoring of additional licenses can be handled using existing resources.

Small Business Effect: Minimal overall, but potential meaningful impact for small businesses that take advantage of the bill's expansion of the Class H license in Anne Arundel County.

Analysis

Current Law: Generally, only one alcoholic beverages license may be issued to a single licensee in the State, and no more than one license may be issued for the same premises, with specified exceptions. In Anne Arundel County, this limit does not apply to licenses issued for motel-restaurant complexes or hotel-restaurant complexes having 100 rooms or more.

In Anne Arundel County, a Class H beer, wine, and liquor license or a Class H beer and wine license may be issued as a second license to the holder of a Class B (on-sale) license or the holder of a Class H license, as specified. Additionally, multiple Class BLX (deluxe restaurant) licenses may also be issued in the county to a single licensee, as specified, provided a license holder holds no more than 10 total alcoholic beverages licenses in the county.

The annual license fee for a class H beer and light wine license is \$360. The annual license fee for a Class H beer, wine, and liquor license is \$960. The board may only issue a total of 60 Class H licenses as additional licenses.

Local Revenues: To the extent that the bill results in additional applications for and issuance of Class H alcoholic beverages licenses in Anne Arundel County, county revenues increase due to applicable filing and annual licensing fees. Monitoring of additional licenses can be handled using existing resources. However, the number of individuals that will seek to obtain or obtain an alcoholic beverages license as a result of the bill, and any corresponding increase in filing and licensing fee revenue, cannot be reliably estimated at this time.

Background: According to Anne Arundel County, a total of 207 Class H licenses, including those issued as additional licenses, are currently issued in the county.

Additional Information

Prior Introductions: None.

Cross File: HB 1539 (Delegate Beidle) - Rules and Executive Nominations.

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

Fiscal Note History: First Reader - February 22, 2017
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