

Department of Legislative Services

Maryland General Assembly

2017 Session

FISCAL AND POLICY NOTE

Third Reader

Senate Bill 998

(Senator Conway)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - Alcoholic Beverages - Beer, Wine, and Liquor Tasting License

This bill authorizes the Baltimore City Board of License Commissioners to issue a Class BWLT beer, wine, and liquor (on-premises) tasting license to a holder of a Class A beer, wine, and liquor license in Ward 12, precinct 3 of the 43rd legislative district. The license authorizes a licensee to allow on-premises consumption of beer, light wine, and liquor for tasting.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City license revenues increase between \$800 and \$1,350 in FY 2018 and between \$250 and \$800 annually beginning in FY 2019. Baltimore City can monitor licenses with existing resources.

Small Business Effect: Minimal.

Analysis

Current Law:

Class BWLT Beer, Wine, and Liquor Tasting License

The Baltimore City Board of License Commissioners is authorized to issue a Class BWLT beer, wine, and liquor (on premises) tasting license to a holder of a Class A beer, wine, and liquor license in the following areas of Baltimore City:

- Ward 27, precincts 42 and 44 of the 41st legislative district;
- Ward 27, precincts 41 and 48 of the 43rd legislative district;
- Ward 11, precinct 5 of the 44th legislative district; and
- the 3000 block of Frederick Avenue in Ward 20, precinct 9 of the 44A legislative district, based on the Legislative Districting Plan of 2012.

The license holder may exercise the privileges of the license during the hours and days provided for under the license holder's Class A license.

In addition to the Class A annual license fee, the fees for a Class BWLT license are:

- \$20 for a daily tasting license, which may be issued up to 12 times to a single license holder in a license year;
- \$200 annually for a 26-day tasting license, which may be used consecutively or nonconsecutively;
- \$300 annually for a 52-day tasting license, which may be used consecutively or nonconsecutively; and
- \$750 annually for a tasting license that may be used daily throughout the year.

The application and payment for the daily license, the 26-day tasting license, and the 52-day tasting license must be submitted at least 7 days before the tasting event. The holder of a 26-day tasting license and the holder of a 52-day tasting license must notify the Baltimore City Board of License Commissioners, on a form that the board approves, of additional tasting events authorized by the licenses.

An individual may consume beer, light wine, or liquor covered by the license in a quantity of not more than:

- one ounce of light wine from an offering in a day;
- three ounces of beer from an offering in a day; and
- one-half ounce of liquor from an offering in a day.

At the end of each day for which the license is valid, the license holder must dispose of any alcoholic beverage that remains in a container opened for tasting.

One-day Class BWT Beer and Wine Tasting License

The Baltimore City Board of License Commissioners also issues a one-day Class BWT beer and wine tasting license to a holder of a Class A beer and light wine license or Class A beer, wine, and liquor license, which authorizes the license holder to allow on-premises

consumption of beer and light wine for tasting. A license holder may serve to an individual (1) light wine in a quantity of not more than one ounce from an offering and (2) beer in a quantity of not more than three ounces from an offering. The Baltimore City Board of License Commissioners may not issue more than 12 licenses per year to each license holder. A license holder may exercise the privileges under the license only during the hours and days provided for under the license holder's Class A license.

Local Revenues: Baltimore City advises that this bill would apply to one licensed premises. Under the bill, a license holder may obtain a 26-day license for a \$200 fee, a 52-day license for a \$300 fee, or one annual license for a \$750 fee. Depending on the specific license obtained, Baltimore City license revenues may increase between \$800 and \$1,350 in fiscal 2018 and between \$250 and \$800 annually beginning in fiscal 2019. This estimate is based on a one-time \$600 application fee and an annual \$50 renewal fee.

Additional Information

Prior Introductions: None.

Cross File: HB 837 (Delegate McIntosh, *et al.*) - Economic Matters.

Information Source(s): Baltimore City; Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2017
md/tso Third Reader - March 10, 2017

Analysis by: Michelle Davis

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