

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 745
Economic Matters

(Baltimore City Delegation)
Education, Health, and Environmental Affairs

Baltimore City - Alcoholic Beverages - Class A-7 License

This bill authorizes the Baltimore City Board of License Commissioners to issue a Class A-7 beer, wine, and liquor license. The license holder is authorized to sell beer, wine, and liquor at retail at the place described in the license for off-premises consumption on Monday through Sunday from 9 a.m. to 10 p.m. A license holder of a valid Class B-D-7 beer, wine, and liquor license issued on or before July 1, 2018, may apply to the board to exchange the license for a Class A-7 license if the license holder first obtains approval by resolution of the Baltimore City Council. The board may not issue a Class A-7 license after July 1, 2020. The annual license fee is \$1,500. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues increase by \$13,500 in FY 2019 and by \$27,000 annually thereafter from license conversions to the Class A-7 license. Baltimore City can handle any enforcement activity with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: In the 46th legislative district, a Class B-D-7 license may be exchanged for a Class A-7 license only if the Class B-D-7 license was issued for an establishment operating in a planned use development.

Current Law: The board must examine each application for the issuance or transfer of a license within 45 days of receipt of the application to determine whether the application is complete. An application for the issuance, transfer, or renewal is not complete unless the applicant has (1) obtained zoning approval or verification of zoning if the application is for renewal; (2) submitted all documents required in the application; and (3) paid all fines and fees that are due.

Class B-D-7 beer, wine, and liquor license: The board may issue a Class B-D-7 license if the board determines that the license is reasonably necessary for the convenience of the public. In making the determination, the board must consider the number of beer, wine, and liquor outlets in a given area and the number of days the outlets are open, rather than the nature of the outlets.

The license authorizes the license holder to sell beer, wine, and liquor at retail at the place described in the license, for on- and off-premises consumption from 6 a.m. to 2 a.m. the following day. The hours of sale for a license holder in the Park Heights Redevelopment Area is from 9 a.m. to 2 a.m. the following day. The hours of sale for a license holder in an area bounded by Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue are from 9 a.m. to 9 p.m.

The annual license fee is \$1,320.

Local Revenues: Baltimore City estimates that approximately 150 Class B-D-7 licensees will convert to Class A-7 licenses during fiscal 2019 and 2020. The bill's deadline for converting licenses is July 1, 2020. The difference between the annual license fees of a Class A-7 license and a Class B-D-7 license is \$180. Accordingly, anticipated licensing fee revenues under the bill will increase \$13,500 in fiscal 2019 and \$27,000 annually thereafter assuming 75 licensees convert in fiscal 2019 and an additional 75 licensees convert in fiscal 2020.

Additional Information

Prior Introductions: None.

Cross File: SB 519 (Senator Conway, *et al.*) - Education, Health, and Environmental Affairs.

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

Fiscal Note History:
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