

Department of Legislative Services  
Maryland General Assembly  
2019 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 289

(Frederick County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

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Frederick County - Alcoholic Beverages - Cinema/Theater License

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This bill authorizes the Frederick County Board of License Commissioners to issue a Class CT (cinema/theater) (on-sale) beer, wine, and liquor license for use in a for-profit cinema or theater that has at least one screening room or performance hall. The license authorizes a licensee to sell, in a designated area of the lobby, for 45 minutes before the start of a movie or performance, beer, wine, and liquor by the can, bottle, or drink for consumption anywhere on the licensed premises. A licensee may sell alcoholic beverages only to a ticket holder with proper identification and must offer food other than candy and popcorn. The bill specifies additional requirements and restrictions pertaining to the Class CT license. The annual license fee is \$1,500. **The bill takes effect July 1, 2019.**

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Frederick County revenues increase by approximately \$3,000 annually from additional licensing fees. Frederick County can monitor the license with existing resources.

**Small Business Effect:** Minimal overall but potentially meaningful for a small business cinema or theater that is able to obtain an alcoholic beverages license under the bill.

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Analysis

**Bill Summary:** The bill specifies additional requirements and restrictions pertaining to the Class CT license. Namely, an individual serving beer, wine, or liquor at the licensed establishment (1) may not mix the contents of one bottle with the contents of another bottle and (2) must remove or destroy all empty bottles and cans. Additionally, a licensee must

(1) obtain a crowd control training certificate from a State-certified program and, (2) when exercising the privileges of the permit, must have one crowd control manager on-site per every 250 individuals present. A licensee must, notwithstanding specified exceptions in Frederick County, require an individual who has completed a certified alcohol awareness program to be on the licensed premises.

**Current Law:** In Maryland, alcoholic beverages 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.

The board currently issues a Class C (theater) beer and wine license to a theater that seats 200 or fewer individuals per performance. The license authorizes the licensee to sell beer and wine for on-premises consumption from one hour before to one hour after a regular performance or fundraiser performance that benefits the theater. The annual license fee is \$100.

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:** According to the Comptroller's Office, in fiscal 2018, there were 329 alcoholic beverages licenses issued in Frederick County.

**Local Fiscal Effect:** For each Class CT license issued under the bill, Frederick County revenues increase by \$1,500 annually. Frederick County anticipates that two eligible establishments will apply for a license under the bill. Accordingly, Frederick County revenues increase by approximately \$3,000 annually.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 273 (Senators Young and Hough) - Education, Health, and Environmental Affairs.

**Information Source(s):** Comptroller's Office; Frederick County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 13, 2019  
md/tso Third Reader - March 19, 2019

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