

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1283
Economic Matters

(Prince George's County Delegation)

Prince George's County - Alcoholic Beverages - Cigar Lounge License
PG 312-20

This bill establishes a Class B-CL (cigar lounge) beer, wine, and liquor license in Prince George's County and authorizes the Prince County Board of License Commissioners to issue the license for use in a cigar lounge and for on-premises consumption only. The application for the license must be signed by at least one owner of the cigar lounge who is a resident and taxpayer in Prince George's County. The bill specifies that the license is exempt from distance restrictions pertaining to a school building or place of worship. Additionally, a retail tobacco business holding a Class B-CL license is not subject to indoor smoking restrictions. The annual license fee is \$900. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues increase by \$9,000 in FY 2021 from Class B-CL licenses issued under the bill. Prince George's County can handle any additional enforcement activity with existing resources.

Small Business Effect: Minimal overall, but potentially meaningful for a small business cigar lounge.

Analysis

Bill Summary: The Class B-CL license holder may sell beer, wine, and liquor during the hours and days designated for a Class C beer, wine, and liquor license; between 6 a.m. and

2 a.m. the following day. The licensee may not sell alcoholic beverages at a bar or counter on Sunday, unless the Sunday is December 24 or December 31.

Current Law: In Prince George’s County, the board is authorized to issue multiple types of Class B alcoholic beverages licenses to restaurants that allow the sale of beer, wine, or liquor, as specified under the type of license issued.

Indoor Smoking Restriction

Beginning on February 1, 2008, a person in Maryland generally may not smoke in (1) an indoor area open to the public; (2) an indoor place in which meetings are open to the public; (3) a government-owned or government-operated means of mass transportation; or (4) an indoor place of employment. A retail business that is a sole proprietorship, Limited Liability Company, corporation, partnership, or other enterprise in which the primary activity is the sale of tobacco or similar products is exempt from the restriction.

Background: In fiscal 2019, there were 616 alcoholic beverages licenses issued in Prince George’s County, 317 of which were Class B-BWL licenses.

Local Fiscal Effect: Prince George’s County revenues increase by \$900 for each Class B-CL (cigar lounge) beer, wine, and liquor license issued under the bill. Prince George’s County advises that it anticipates issuing 10 Class B-CL (cigar lounge) licenses beginning in fiscal 2021. Therefore, Prince George’s County revenues increase by approximately \$9,000 in fiscal 2021.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Prince George’s County; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2020
mr/tso

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