

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1286 (Delegate Wells)
Economic Matters

Baltimore City - Alcoholic Beverages - Licensed Premises - Extended Hours

This bill generally authorizes the holder of a Class B beer, wine, and liquor (BWL) license, an arena license, a racetrack license, or a Class B-D-7 license to sell beer, wine, and liquor, serve food, provide entertainment, and continue all operations from 6 a.m. to 4 a.m. the following day if the license holder (1) pays an additional annual fee of \$3,000 and (2) the licensed premises (a) occupies at least 3,000 square feet; (b) is equipped with full kitchen facilities for preparing and serving regular meals by December 31, 2019; (c) operates under a food service facility license with a high-priority classification issued by the Baltimore City Commissioner of Health; (d) except for a building occupied by a hotel, is located in a building where residents are not authorized to dwell above the footprint of the licensed premises; and (e) is located in a specified geographical area. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues increase beginning in FY 2021 to the extent it collects additional fees under the bill. Any enforcement activity can be handled with existing resources.

Small Business Effect: Minimal.

Analysis

Current Law:

Class B BWL License: A Class B BWL license authorizes the holder to sell beer, wine, and liquor at a hotel or restaurant for on- or off-premises consumption. Annual license fees are \$1,320 for a licensed premises with a seating capacity of up to 200 and \$1,800 for a licensed premises with a seating capacity of more than 200. A license holder must annually pay an additional \$500 fee to provide live entertainment and/or a \$200 fee to provide outdoor table service. With specified exceptions, the hours of sale are from 6 a.m. to 2 a.m.

Arena License: An arena license authorizes the holder to sell beer, wine, and liquor by the drink and by the bottle within the arena from one or more outlets for on-premises consumption. "Arena" means an athletic facility, an auditorium, a banquet hall, a catering hall, a concert facility, a theater, or a stadium. A licensed arena must have a minimum capital investment, not including any real property, of \$1,000,000 and a minimum capacity of 1,000 people as determined by the Baltimore City Fire Department. The annual license fee is \$12,000. A license holder must annually pay an additional \$500 fee to provide live entertainment and/or a \$200 fee to provide outdoor table or cafe service.

Racetrack License: A racetrack license authorizes the holder to sell beer, wine, and liquor at one or more locations in the confines of the racing park. The license fee is \$55 for each day that the racing park is open and operating. A license holder must annually pay an additional \$500 fee to provide live entertainment and/or a \$200 fee to provide outdoor table or cafe service.

Class B-D-7 License: The board may issue a Class B-D-7 license if it determines, upon consideration of the number of beer, wine, and liquor outlets in the affected area and the outlets' days of sale, that the license is reasonably necessary for public convenience. A Class B-D-7 license authorizes the licensee to sell beer, wine, and liquor for on- and off-premises consumption. With specified exceptions, the hours of sale are from 6 a.m. to 2 a.m. the following day.

General Restriction on Hours of Sale: A licensed establishment generally may not permit consumption between 2 a.m. and 6 a.m. except as otherwise specified.

Background: According to the Comptroller's Office, in fiscal 2019, there were 1,208 alcoholic beverages licenses issued in Baltimore City.

Local Fiscal Effect: For each establishment that takes advantage of the bill's provisions, Baltimore City revenues increase by \$3,000 annually.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 13, 2020
mr/tso

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