

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 139

(Senator McCray)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - Alcoholic Beverages - Correction in Issuance of Class C License

This bill repeals a provision authorizing the Baltimore City Board of License Commissioners to issue a new Class C beer, wine, and liquor (BWL) license in the 45th alcoholic beverages district. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal decrease in Baltimore City revenues beginning in FY 2021, as discussed below. Expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: The board generally may not issue a new alcoholic beverages license in the 40th, 41st, 43rd, 44th, or 45th alcoholic beverages districts. However, the law specifies several exceptions. Among these exceptions, the board may issue a Class C BWL license in the 45th alcoholic beverages district and specified areas of the 40th and 44th alcoholic beverages districts.

In Baltimore City, Class C licenses generally authorize clubs and other organizations to sell alcoholic beverages for on-premises consumption. A Class C BWL license authorizes the license holder to sell beer, wine, and liquor at a club at the place described in the license for on-premises consumption. The annual license fee is \$550.

Background: According to the Comptroller’s Office, in fiscal 2019, there were 52 Class C BWL licenses issued in Baltimore City. The board advises that two organizations have obtained a Class C BWL license under the provision repealed by the bill.

Local Revenues: To the extent organizations that would seek to apply for a new Class C BWL license in the 45th alcoholic beverages district are unable to obtain a license under the bill, city revenues decrease minimally. For each new Class C BWL license that is precluded under the bill, city revenues decrease by \$1,150 at the time of application and \$600 annually thereafter. This estimate accounts for a \$550 annual license fee, \$600 application fee, and \$50 renewal fee.

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 - January 28, 2020
an/tso Third Reader - March 13, 2020

Analysis by: Elizabeth J. Allison

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