# **Department of Legislative Services**

Maryland General Assembly 2021 Session

# FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 795

(Wicomico County Delegation)

**Economic Matters** 

Education, Health, and Environmental Affairs

## Wicomico County - Alcoholic Beverages - License Alterations

This bill repeals the requirement in Wicomico County that the holder of a Class B beer, wine, and liquor (golf course) license must have average daily receipts from the sale of food for each month that exceed the average daily receipts from the sale of alcoholic beverages. The bill also expands the authorized days in which a holder of a Class A beer, wine, and liquor (BWL) license in the county may sell beer, wine, and liquor to Monday through *Sunday*, from 6 a.m. to midnight instead of Monday through Saturday, from 6 a.m. to midnight. **The bill takes effect July 1, 2021.** 

## **Fiscal Summary**

**State Effect:** None.

**Local Effect:** Wicomico County revenues increase to the extent that the board issues additional Class B beer, wine, and liquor (golf course) licenses under the bill. Wicomico County can handle any additional enforcement activity with existing resources.

**Small Business Effect:** Overall minimal, but potential meaningful for the holder of a Class A BWL alcoholic beverages license able to sell alcoholic beverages on Sundays under the bill.

### **Analysis**

#### **Current Law:**

Class B Beer, Wine, and Liquor (Golf Course) License

The Wicomico County Board of License Commissioners may issue a Class B beer, wine, and liquor (golf course) license for the use of a golf course or organization that is open to the public, is operated for profit, owns real estate in the county, and has a golf course with a minimum of 18 holes. The license may be issued for a golf course that has average daily receipts from the sale of food for each month that exceed the average daily receipts from the sale of alcoholic beverages. In calculating average daily receipts from the sale of food, an allocation of foodstuff contained in a mixed drink may not be included in average daily receipts from the sale of food. The annual license fee for a Class B beer, wine, and liquor (golf course) license is \$2,000.

Class A Beer, Wine, and Liquor License

A holder of a Class A BWL license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to midnight. The board may only issue a Class A BWL license to an establishment that has been (1) issued a Class B license, and (2) continually operating as a restaurant in the county since at least three months before the application of the license. The board may not issue a license to an establishment that is a corporation or limited liability company unless the license applicant owns 75% of the total issued capital stock of the corporation or the limited liability company. The board may not issue more than three Class A BWL licenses in the county. The annual license fee for a Class A BWL license is \$4,400 and is in addition to the fee paid for the underlying Class B license.

**Local Fiscal Effect:** Wicomico County advises that there are two Class B beer, wine, and liquor (golf course) alcoholic beverages licenses issued for use during fiscal 2020. For each additional license issued, Wicomico County revenues increase by \$2,000.

Wicomico County also advises there are three Class A BWL licenses issued for use in the county. The board can handle any enforcement activity with existing resources.

### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** SB 715 (Senators Carozza and Eckardt) - Education, Health, and Environmental Affairs.

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**Information Source(s):** Wicomico County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2021 rh/tso Third Reader - March 18, 2021

Revised - Amendment(s) - March 18, 2021

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