

**Department of Legislative Services**  
Maryland General Assembly  
2022 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

House Bill 241  
Economic Matters

(Montgomery County Delegation)

Education, Health, and Environmental Affairs

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**Montgomery County - Damascus - Alcoholic Beverages - Class B Beer, Wine, and  
Liquor License Referendum MC 12-22**

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This bill authorizes the Montgomery County Board of License Commissioners to issue a Class B beer, wine, and liquor license in Damascus (12th election district). The passage of the bill is contingent on the approval of the voters of Damascus at the November 2022 general election. **The bill takes effect July 1, 2022.**

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State operations or finances.

**Local Effect:** Montgomery County revenues increase by \$2,500 annually, excluding application and annual renewal fees, for each Class B beer, wine, and liquor license issued in Damascus under the bill. Montgomery County can monitor additional licenses using existing resources. The cost of adding the referendum issue to the ballot would be minimal and absorbable within the local elections board's existing budget.

**Small Business Effect:** Minimal overall, but potentially meaningful for small businesses that obtain a Class B beer, wine, and liquor license under the bill.

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**Analysis**

**Current Law:** In general, the Montgomery County Board of License Commissioners may not issue a license for the sale of alcoholic beverages in any place of business located in Damascus (12th election district). However, Chapter 417 of 2007 authorized a special seven-day Class C on-sale beer, wine, and liquor license to be issued to volunteer fire departments in Damascus. In addition, Chapter 133 of 2012 authorized the board to issue

Class H (on-sale) beer and wine alcoholic beverages licenses to hotels and restaurants in Damascus, as specified.

*Class B Beer, Wine, and Liquor License*

In Montgomery County, the board may generally issue a Class B beer, wine, and liquor license to the owner or operator of a restaurant or hotel if the restaurant or hotel maintains gross receipts from food sales of at least 40% of gross receipts from the sale of food and alcoholic beverages. The annual license fee is \$2,500.

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**Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Montgomery County; State Board of Elections; Department of Legislative Services

**Fiscal Note History:** First Reader - February 4, 2022  
fnu2/tso Third Reader - March 18, 2022

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