Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE Third Reader

Senate Bill 445

(Senator Carter)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City – 41st Legislative District – Alcoholic Beverages – Marketplace License

This bill establishes a marketplace license in the 41st legislative district of Baltimore City, in an area bounded by Cross Keys Road, Village Square, Interstate 83, and Hamlet Hill Road. The license authorizes the license holder to sell beer, wine, and liquor from one or more establishments within the marketplace by the drink or by the bottle for on-premises consumption. The marketplace must have (1) a minimum capital investment, not including the cost of land and buildings, of \$5.0 million for marketplace facilities, and (2) average daily receipts from the sale of food that are at least 51% of the total daily receipts of the marketplace. The annual license fee is \$6,000; in addition, the license holder must annually pay \$500 to provide live entertainment and \$200 to provide outdoor table service. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues potentially increase by at least \$6,600 beginning in FY 2023 and \$6,000 annually thereafter, as discussed below. Baltimore City can handle any enforcement activity with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: The Baltimore City Board of License Commissioners may issue a marketplace license only to the person that owns or leases the marketplace. The

marketplace may accommodate more than 500 individuals, as determined by the Baltimore City Fire Department.

"Marketplace" means premises that (1) accommodate the public and (2) are made up of at least three food and beverage establishments, at least one of which is licensed to conduct off-premises sales, that opened to the public on or before July 1, 2022, or are expected to open within six months of issuance of the marketplace license under the bill.

Current Law: Under § 12-1001.3 of the Alcoholic Beverages Article, similar marketplace licenses are authorized in Baltimore City, in the 40th and 43rd alcoholic beverage districts.

Local Fiscal Effect: Assuming that the board issues a marketplace license as authorized under the bill, Baltimore City license revenues may increase \$6,600 beginning in fiscal 2023 and \$6,000 annually thereafter. This estimate is based upon the \$6,000 annual license fee for a marketplace license and a one-time application fee of \$600 for a license. Revenue could increase further to the extent that a license holder pays additional annual fees to provide live entertainment and/or outdoor table service.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 464 (Delegate Attar, et al.) - Economic Matters.

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

Fiscal Note History: First Reader - February 17, 2022 js/tso Third Reader - March 16, 2022

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