

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 667

(Harford County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Harford County - Alcoholic Beverages - Class B Beer, Wine, and Liquor Licenses
- Restaurants

This bill repeals the requirement that a restaurant applying for a Class B beer, wine, and liquor license in Harford County must have been in full-time operation for at least six months immediately prior to filing the application, as specified. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues decrease by up to \$29,000 annually, beginning in FY 2024, as discussed below. Expenditures are not affected.

Small Business Effect: Potential meaningful.

Analysis

Current Law: There is a Class B beer, wine, and liquor 6-day license and a Class B beer, wine, and liquor 7-day license that may be issued to hotels and restaurants that meet specified requirements in Harford County. The annual license fee for a 6-day Class B beer, wine, and liquor license is \$2,260 for a hotel and \$1,720 for a restaurant. The annual license fee for a 7-day Class B beer, wine, and liquor license is \$2,685 for a hotel and \$2,145 for a restaurant.

In Harford County, there is also a Class BNR (newly opened restaurant) beer, wine, and liquor license that may be issued to newly opened restaurants that meet specified requirements. The annual license fee for the Class BNR license is \$3,000.

Local Revenues: The board advises that there are currently 34 Class BNR (newly opened restaurant) beer, wine, and liquor licenses in the county. If the board were to convert all 34 Class BNR (newly opened restaurant) beer, wine, and liquor licenses to Class B beer, wine, and liquor 7-day licenses, then the board revenues decrease by \$29,070 beginning in fiscal 2024 due to the difference in license fees in the two types of licenses.

However, it is unclear how many Class BNR (newly opened restaurant) beer, wine, and liquor licenses would be converted to Class B beer, wine, and liquor 7-day licenses as the board's rules and regulations prohibit a class BNR license from being transferred to a Class B or Class B3 beer, wine, and liquor license for the sole purpose of decreasing the annual license fee paid by the holder.

Small Business Effect: Holders of the Class BNR (newly opened restaurant) beer, wine, and liquor license may save \$855 in annual license fees if their licenses are transferred to Class B beer, wine, and liquor 7-day licenses.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 15, 2022
rh/tso Third Reader - March 21, 2022
Enrolled - May 4, 2022
Revised - Amendment(s) - May 4, 2022

Analysis by: Hillary J. Cleckler

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