

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 795

(Senators Carozza and Mautz)

Finance

Wicomico County - Alcoholic Beverages - Cigar Lounge License

This bill establishes a Class B-CL (cigar lounge) beer, wine, and liquor (BWL) license in Wicomico County and authorizes the Wicomico County Board of License Commissioners to issue the license for use in a cigar lounge and for on-premises consumption only. The application for the license must be signed by at least one owner of the cigar lounge who is a resident and taxpayer in Wicomico County. The bill specifies that the license is exempt from distance restrictions pertaining to a school building or a place of worship. A retail tobacco business holding a Class B-CL BWL license is not subject to specified indoor smoking restrictions. The annual license fee is \$900. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: None.

Local Effect: Wicomico County revenues increase to extent Class B-CL BWL licenses are issued under the bill. Wicomico County can handle any additional enforcement activity with existing resources.

Small Business Effect: Minimal overall, but potentially meaningful for any small business that obtains a cigar lounge license under the bill.

Analysis

Bill Summary: The Class B-CL license may sell beer, wine, and liquor during the hours and days designated for a Class C BWL license. The hours and days are (1) on Monday through Saturday, from 10:00 a.m. to 2:00 a.m. the following day, and (2) on Sunday, from

12:30 p.m. to midnight, only to customers who are seated on the premises. In addition, the license holder may not sell beer, wine, or liquor at a bar or counter on Sunday.

Current Law: In Wicomico County, the board is authorized to issue multiple types of Class B alcoholic beverages licenses to restaurants that allow the sale of beer, wine, or liquor, as specified under the type of license issued.

Indoor Smoking Restriction

Beginning on February 1, 2008, a person in Maryland generally may not smoke in (1) an indoor area open to the public; (2) an indoor place in which meetings are open to the public; (3) a government-owned or government-operated means of mass transportation; or (4) an indoor place of employment. A retail business that is a sole proprietorship, limited liability company, corporation, partnership, or other enterprise in which the primary activity is the sale of tobacco or similar products is exempt from the restriction.

Local Fiscal Effect: The annual license fee for a Class B-CL license is \$900 and there is an initial application fee of \$75 and an annual renewal fee of \$50. Therefore, Wicomico County revenues increase by \$975 in fiscal 2024 for each Class B-CL license issued and \$950 annually thereafter for each license renewal.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 21, 2023
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