

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 588

(Senator Hayes)

Finance

Economic Matters

Baltimore City - 40th District - Alcoholic Beverages

This bill authorizes the Baltimore City Board of License Commissioners to issue a Class C beer, wine, and liquor license (BWL) in the 3600 block of Hickory Avenue in the 40th alcoholic beverages district to a holder of a Class C beer and light wine license. The bill also authorizes the board to issue a Class A-7 beer, wine, and liquor license in the 1200 block of West North Avenue in the 40th alcoholic beverages district, as specified; and adds the Class A-7 license as an additional exception to the prohibition against issuing an alcoholic beverages license in Baltimore City to an establishment within 300 feet of a place of worship or school. The bill alters a specified geographic area in the 40th alcoholic beverages district where there is a general prohibition against selling alcoholic beverages before 10:00 a.m. or after 10:00 p.m. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues increase minimally beginning in FY 2024 to the extent the board issues additional Class C BWL licenses or Class A-7 BWL licenses under the bill, as discussed below.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill authorizes the board to issue a Class A-7 beer, wine, and liquor license in the 1200 block of West North Avenue in the 40th alcoholic beverages district if (1) the applicant executes a memorandum of understanding with the Penn North

Community Association; (2) alcoholic beverages are sold only as part of a gift basket or floral arrangement; and (3) the applicant does not hold or apply for a Class BWLT beer, wine, and liquor (on-premises) tasting license.

The bill prohibits the sale of alcoholic beverages before 10:00 a.m. or after 10:00 p.m. within the area of West North Avenue between the 1000 block of West North Avenue and the 3200 block of West North Avenue, inclusive, and within 250 yards in any direction of that area.

Current Law:

General Prohibition Against Issuance of New Licenses in Specified Districts

The board generally may not issue a new alcoholic beverages license in the 40th, 41st, 43rd, 44th, or 45th alcoholic beverages districts. However, the law specifies several exceptions.

Class C Licenses

In Baltimore City, Class C licenses generally authorize clubs and other organizations to sell alcoholic beverages for on-premises consumption. A Class C BWL license authorizes the license holder to sell beer, wine, and liquor at a club at the place described in the license for on-premises consumption. The annual license fee is \$550. A Class C beer and light wine license authorizes the sale of beer and light wine to a member of a club and a guest of the member, at retail, for on-premises consumption. The annual license fee is \$82.50.

Class A-7 Licenses

Chapter 537 of 2018 authorized the board to issue a Class A-7 BWL license. The license authorizes the holder to sell, for off-premises consumption, beer, wine, and liquor at retail at the place described in the license on Monday through Sunday from 10:00 a.m. to midnight. The annual license fee is \$1,500. The board may not issue a Class A-7 license after June 30, 2022, and Chapter 510 of 2020 prohibited a Class A-7 license from being issued in the 43rd Legislative District.

Distance Restrictions from a Place of Worship or School

The board generally may not issue a new license or approve the transfer of an existing license to a building within 300 feet of a place of worship or school. The distance from the establishment to the place of worship or school must be measured from the nearest point of the establishment to the nearest point of the building of the place of worship or school.

Restrictions on Hours of Sale

For a license holder in specified geographical areas in the 40th alcoholic beverages district, the hours of sale for alcoholic beverages may not begin before 10:00 a.m. or end after 10:00 p.m. This restriction does not apply to (1) a Class B beer and light wine (restaurant) license; (2) a Class B BWL (restaurant) license, as specified; (3) a Class B-BWL (H-M) license; (4) a Class C beer and wine license; (5) a Class C BWL license; (6) an arena license; or (7) a marketplace license.

Local Fiscal Effect: To the extent the board issues a Class C BWL license to a holder of a Class C beer and light wine license in the specified geographic area, Baltimore City revenues increase by \$1,150 in fiscal 2024 and \$600 annually thereafter. This estimate accounts for an annual license fee of \$550 for the Class C BWL license as well as an initial \$600 application fee and subsequent \$50 renewal fee for each license. Further, to the extent the board issues a Class A-7 BWL license in the specified geographic area, Baltimore City revenues increase by \$2,100 in fiscal 2024 and \$1,550 annually thereafter. This estimate accounts for an annual license fee of \$1,500 for the Class A-7 BWL license as well as an initial \$600 application fee and subsequent \$50 renewal fee for each license.

Additional Information

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

Designated Cross File: HB 886 (Delegate Amprey) - Economic Matters.

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

Fiscal Note History: First Reader - February 17, 2023
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