

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 654
Economic Matters

(St. Mary's County Delegation)

Finance

St. Mary's County – Alcoholic Beverages – Nonprofit Performing Arts Theater License

This bill establishes a nonprofit performing arts theater beer and wine license in St. Mary's County. The St. Mary's County Board of License Commissioners may issue the license for use on the premises of a performing arts theater operated by a nonprofit organization. The annual license fee is \$300. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: St. Mary's County revenues may decrease by \$350 annually beginning in FY 2025, as discussed below. St. Mary's County expenditures are not affected.

Small Business Effect: None.

Analysis

Bill Summary: "Nonprofit performing arts theater" means an area, a building, or a structure designed and used for plays, acts, dramas, concerts, or similar events by individuals performing on a stage. A nonprofit performing arts theater beer and wine license authorizes the holder to sell or serve beer and wine at retail for on-premises consumption.

The license holder may sell or serve beer and wine from one hour before to one hour after a regular performance or a fundraiser performance that benefits the nonprofit performing arts theater.

The license holder may purchase beer and wine from a licensed wholesaler.

Current Law: In St. Mary's County, there are Class C *per diem* (1) beer; (2) beer and wine; and (3) beer, wine, and liquor licenses that may be issued to nonprofit organizations, as specified.

Local Revenues: St. Mary's County estimates it currently processes approximately 65 Class C *per diem* licenses totaling \$650 annually, and the bill's creation of a nonprofit performing arts theater license with an annual fee of \$300 would serve to reduce county revenues by approximately \$350 per year beginning in fiscal 2025. However, the county estimates any decrease in *per diem* license fee revenues will be offset from processing only 1 performing arts theater license per year instead of 65 *per diem* licenses.

Additional Information

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

Designated Cross File: None.

Information Source(s): St. Mary's County; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2024
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Analysis by: Amanda L. Douglas

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