

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 662
Finance

(Senator Ferguson)

Economic Matters

Baltimore City - Alcoholic Beverages Licenses - Alterations

This bill authorizes the Baltimore City Board of License Commissioners to (1) issue a Class C beer, wine, and liquor license in a certain location in the 40th alcoholic beverages district, as specified, if the applicant executes a memorandum of understanding (MOU) with the Mount Vernon – Belvedere Association, and (2) issue a license in or approve the transfer of a license to a location in the 46th alcoholic beverages district, as specified, if the license holder has received a letter of support from the place of worship or school that is within the bounded area and has entered into an MOU with a community association that is within the bounded area. The bill also (1) extends the date through which multiple licenses in the 46th alcoholic beverages district must be considered unexpired for the purpose of completing a transfer; (2) authorizes the board to waive a requirement for a license holder within a specified area to maintain average daily receipts from the sale of food that are at least 40% of total daily receipts; and (3) expands a certain requirement for an MOU to apply to any alcoholic beverages license in Baltimore City. **The bill takes effect June 1, 2025, and provisions related to the extension of specified licenses for the purpose of transfer terminate June 30, 2030.**

Fiscal Summary

State Effect: None.

Local Effect: The bill does not materially affect Baltimore City finances or operations.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill authorizes the board to waive the requirement that an establishment must have average daily receipts from the sale of food that are at least 40% of its total daily receipts for a restaurant operated in the area bounded by South Eden Street on the west, Bank Street on the north, South Spring Street on the east, and Eastern Avenue on the south.

The bill authorizes the board to issue a Class C beer, wine, and liquor license on the odd side of the 800 block of North Howard Street in the 40th alcoholic beverages district if (1) the applicant does not convert the license to a different license class; (2) the applicant does not transfer the license to a different location; (3) alcoholic beverages are served only to patrons indoors; (4) alcoholic beverages sales are only between 10:00 a.m. and 9:00 p.m.; (5) the applicant provides not more than two 12-ounce offerings of beer, two 6-ounce offerings of wine by the glass, or two 1.5-ounce offerings of liquor for on-premises consumption by a patron while the patron is provided a barbering service; (6) the board waives any requirements that sales can be made only to members and the guests of members; and (7) the applicant executes an MOU with the Mount Vernon – Belvedere Association.

Expiration of Licenses for Purpose of Transfer

The bill extends the date, from July 1, 2025, to July 1, 2028, through which a Class B license issued for a premises in the 3500 block of Boston Street must be considered unexpired for the purpose of completing a transfer of ownership and a transfer of location to a premises in the 3600 block of Boston Street.

The bill requires a Class D six-day beer, wine, and liquor license issued for a premises on the 200 block of East Lexington Street to be considered unexpired until the end of June 30, 2026, for the purpose of completing a transfer of ownership at the same location, provided the license holder received a letter of support from the Downtown Partnership of Baltimore.

The bill also requires five Class B beer, wine, and liquor licenses issued for restaurants at Harborplace that expired between January 1, 2021, and January 1, 2025, to be considered unexpired until the end of June 30, 2030, for the purpose of completing a transfer of ownership at the same location. The most recent license holder must retain liability for any unpaid personal property taxes due to Baltimore City or to the State. The board may not (1) require the Class B beer, wine, and liquor licenses to have a minimum capital investment or to maintain a minimum or maximum seating amount; (2) authorize the transfer of a license to another location; and (3) require the most recent license holder to

complete a Transfer Authorization or Affidavit of Compliance to complete a transfer of ownership.

Current Law: Generally, a restaurant in Baltimore City must have average daily receipts from the sale of food that are at least 40% of its total daily receipts.

Conditions on the Issuance or Renewal of Specified Licenses

If a community association and an applicant for the issuance or renewal of a Class B, a Class B-D-7, or a Class D alcoholic beverages license have entered into an MOU, the board may make the issuance or renewal of the license conditional on the substantial compliance of the applicant with the MOU.

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.

Distance Restriction from Place of Worship or School

Generally, in the 46th alcoholic beverages district, a new license may not be issued for, and an existing license may not be moved to, an establishment that is within 300 feet of the nearest point of the place of worship or school unless the license holder has received a letter of support from a place of worship or school that is within the bounded area, as specified.

Expiration, Transfer, and Conversion of Licenses

Chapters 1026 and 1027 of 2024 required a Class B license for a premises in the 3500 block of Boston Street to be considered unexpired until July 1, 2025, for the purpose of completing a transfer of ownership and a transfer of location to a premises in the 3600 block of Boston Street.

Additional Information

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

Designated Cross File: HB 784 (Delegate Clippinger, *et al.*) - Economic Matters.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2025
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