

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 685 (Delegate Hinebaugh)
Economic Matters

Garrett County Alcoholic Beverages Act of 2025

This bill establishes a Class BC-resort beer, wine, and liquor license in Garrett County. The bill also (1) requires the Garrett County Board of License Commissioners to adopt regulations for specified alcoholic beverages licenses; (2) clarifies that applicants for specified alcoholic beverages licenses must submit an application on the form that the board provides; (3) clarifies public notice requirements the board must follow prior to holding a hearing on specified alcoholic beverages license applications; and (4) clarifies that a nonprofit organization, rather than a club, may qualify for specified Class C multiple day and multiple event licenses. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: None.

Local Effect: Garret County revenues increase, beginning in FY 2026, to the extent Class BC-resort licenses are issued under the bill. Garret County can handle any additional enforcement within existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law:

Regulations for Specified Alcoholic Beverages Licenses

Generally, the board is authorized to issue alcoholic beverages licenses to restaurants and resorts meeting specified requirements relating to size, seating capacity, and minimum

capital investment. Such licenses include the Class BDR (deluxe restaurant) beer and wine license, the Class BDR (deluxe restaurant) beer, wine, and liquor license, the Class B-resort beer and wine license, and the Class B-resort beer, wine, and liquor license. The board must charge a one-time issuing fee for a new license in an amount equal to the annual license fee.

Under the bill, the board must adopt regulations for each specified alcoholic beverages license.

Class BC-Resort Beer, Wine, and Liquor License – Established

The board is authorized to issue a Class BC-resort beer, wine, and liquor license to a license holder for a complex that has at least two facilities that are (1) located on the same contiguous property that is at least 20 acres in size; (2) separated by at least 150 feet from the main area of the licensed premises; and (3) determined by the board to be a hotel, motel, recreational, or restaurant facilities. The license authorizes the license holder to sell at specified locations at retail at the place described in the license (1) beer, wine, and liquor for on-premises consumption, and (2) beer for off-premises consumption. The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class B beer, wine, and liquor license. Under current law, those hours are Monday through Saturday, from 6:00 a.m. to 2:00 a.m. the following day, though Sunday sales are allowed from 6:00 a.m. to midnight in (1) election districts 11 and 15, and (2) any other election district or precinct of an election district where authorized by the voters by referendum, as specified.

The annual license fees are (1) \$3,000 for a 6-day license for two facilities; (2) \$1,500 for each additional facility for a 6-day license; (3) \$3,500 for a 7-day license for two facilities; and (4) \$1,750 for each additional facility for a 7-day license. The board must charge a one-time issuing fee for a new license in an amount equal to the annual license fee and adopt regulations.

Applications for Specified Licenses – Hearings, Notice, and Regulations

Generally, as part of the application process for specified alcoholic beverages licenses for use at an event, the applicant must submit the application on a form that the board provides. The board must (1) hold a hearing on a license application; (2) publish notice of the license application hearing one time at least seven days before the hearing; (3) choose a fixed period of time for the event of up to three consecutive days, excluding Sunday; and (4) choose a location that is not already licensed. The board must also adopt regulations to carry out the requirements related to the specified alcoholic beverages license.

The bill generally conforms these requirements so they apply to (1) a beer festival license; (2) a Class C beer and wine street festival license; (3) a beer and wine festival license; (4) a beer, wine, and liquor festival license; and (5) a wine festival license, as specified under the bill.

Class C Multiple Day Alcoholic Beverages License

Generally, the board may issue a Class C multiple day license to a club, and the board may issue a multiple event license to a club that qualifies for a Class C multiple day license.

The bill establishes that the specified licenses may be issued to a *nonprofit organization*, rather than a club.

Local Fiscal Effect: Garrett County revenues increase, beginning in fiscal 2026, to the extent the board issues Class B-resort beer, wine, and liquor licenses. As the number of individuals that will obtain a license under the bill is unknown, any potential increase in Garrett County license fee revenues under the bill cannot be reliably estimated. Garrett County can handle the bill's requirements and any administrative changes with existing resources.

Additional Information

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

Designated Cross File: SB 826 (Senator McKay) - Finance.

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

Fiscal Note History: First Reader - February 14, 2025
km/tso

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