

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 322

(Frederick County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Frederick County - Alcoholic Beverages - Cinema/Theater License

This bill authorizes a Class CT (cinema/theater) (on-sale) beer, wine, and liquor licensee in Frederick County to sell beer, wine, and liquor for on-premises consumption in a lobby, screening room, or performance hall of a for-profit cinema or theater with at least one screening room or performance hall. The bill repeals the requirement that sales of beer, wine, and liquor by a Class CT licensee must be in a designated area of the lobby, for 45 minutes before a movie or theater performance starts. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Frederick County revenues may increase to the extent that the board issues the license to eligible cinemas or theaters. Frederick County can handle any additional enforcement activity with existing resources.

Small Business Effect: Minimal overall but potentially meaningful for a small business cinema or theater that is able to obtain an alcoholic beverages license under the bill.

Analysis

Current Law: Chapters 614 and 615 of 2019 created a Class CT (cinema/theater) (on-sale) beer, wine, and liquor license in Frederick County. The license authorizes a licensee to sell, in a designated area of the lobby, for 45 minutes before the start of a movie or performance, beer, wine and liquor by the can, bottle, or drink for consumption anywhere on the licensed premises. A licensee may sell alcoholic beverages only to a ticket holder with proper identification and must offer food other than candy and popcorn.

An individual serving beer, wine, or liquor at the licensed establishment (1) may not mix the contents of one bottle with the contents of another bottle and (2) must remove or destroy all empty bottles and cans. Additionally, a licensee must (1) obtain a crowd control training certificate from a State-certified program and, (2) when exercising the privileges of the permit, must have one crowd control manager on-site per every 250 individuals present. A licensee must, notwithstanding specified exceptions in Frederick County, require an individual who has completed a certified alcohol awareness program to be on the licensed premises. The annual license fee is \$1,500.

Background: In fiscal 2019, there were 336 alcoholic beverage licenses issued in Frederick County, 32 of which were Class C beer, wine, and liquor licenses. Frederick County advises that there are currently no Class CT (cinema/theater) (on-sale) licenses issued in the county.

Local Fiscal Effect: For each Class CT license issued under the bill, Frederick County revenues increase by \$1,500 annually.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 612 (Senators Hough and Young) - Education, Health, and Environmental Affairs.

Information Source(s): Comptroller's Office; Frederick County; Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2020
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