

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE
Revised

House Bill 139

(Delegate Beitzel)

Economic Matters

Education, Health, and Environmental Affairs

Garrett County - Alcoholic Beverages - Sunday Sales

This bill repeals the requirement in Garrett County that a consumer order a meal simultaneously or prior to placing an order for an alcoholic beverage, or be entitled to a meal on the premises as part of a prearranged event, before the consumer is served an alcoholic beverage in specified establishments on a Sunday.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: The bill does not materially affect Garrett County operations or finances.

Small Business Effect: Minimal overall, but potential meaningful positive impact for any small business that is no longer required to sell or provide meals in order to sell alcoholic beverages on Sundays.

Analysis

Bill Summary: The bill repeals the requirement that a consumer order a meal, or be entitled to a meal on the premises as part of a prearranged event, before the consumer is served an alcoholic beverage at locations operating under:

- a Class B license;
- a special 2-day Class C license;

- a special 6-day Class C license;
- a special 12-day Class C license; or
- a Class D license when the establishment (1) is in a permanent building; (2) has a seating capacity at tables for at least 20 persons; (3) is equipped with a full-service commercial kitchen that can serve full-course meals for at least 20 persons at one seating; and (4) is approved by the county Board of License Commissioners, the Department of Public Utilities, the Health Department, and the Planning and Land Development Office.

The bill also repeals references to “a special 2-day Class C license, special 6-day Class C license, or special 12-day Class C license” under provisions relating to Sunday sales and replaces them with “a special Class C license.” This change, which allows all classes of special Class C licenses (including special multiple event Class C licenses) to engage in Sunday sales, codifies current practice. Under the bill, holders of a special multiple event Class C license are also exempt from the requirement that a consumer order a meal or be entitled to a meal on the premises as a part of a prearranged event before the consumer is served an alcoholic beverage.

Current Law: In Garrett County, Sunday sales for on-premises consumption with a meal are only permitted in election districts 1, 2, 3-1, 3-2, 5, 6, 7, 9, 10, 11, 12, 14-1, 15, and 16. Where authorized, Sunday sales may begin at 1 p.m. and continue until 10 p.m.

The Sunday sales for on-premises consumption privilege may be added, by paying a \$250 fee, by holders of a Class B license, a Class C service club license, or a Class D license.

For holders of a Class B license, a special 2-day Class C license, a special 6-day Class C license, a special 12-day Class C license, or a specified Class D license, Sunday on-premises sales may be made only when (1) the consumer places an order for a meal simultaneously or prior to placing an order for an alcoholic beverage or (2) the consumer is otherwise entitled to a meal on the premises as part of a prearranged event, such as a banquet, where the alcoholic beverage is served. Bar or counter sales may still be made, as long as the consumer orders a meal or is entitled to one.

In Garrett County, the board may issue a special multiple event Class C license to an organization that otherwise qualifies for a special Class C license. The annual fee for a special multiple event license is (1) \$125 for up to 5 events per year; (2) \$250 for up to 12 events per year; (3) \$375 for up to 18 events per year; and (4) \$500 for up to 24 events per year. The board may not issue more than one special multiple event license to an organization in a license year.

Background: In November 2014, seven election districts and election district precincts voted to newly allow Sunday sales for on-premise consumption with a meal while five election districts and election district precincts voted against allowing Sunday sales for on-premise consumption with a meal.

In fiscal 2014, 33 Class B licenses and 38 Class D licenses were issued in Garrett County. Of the Class D licenses, 4 license holders were permitted to make Sunday sales. There were also 10 special 2-day Class C licenses issued in Garrett County in fiscal 2014, only 1 of which included a Sunday. There were no special 6-day or 12-day licenses issued.

Garrett County advises that 14 special multiple event Class C licenses were issued in fiscal 2014 (13 for up to 5 events per year and 1 for up to 12 events per year).

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office, Garrett County, Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2015
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Analysis by: Nathan McCurdy

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