

Department of Legislative Services  
Maryland General Assembly  
2017 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 775 (Harford County Senators)  
Education, Health, and Environmental Affairs

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Harford County - Alcoholic Beverages - Tobacconist License

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This bill establishes a Class B (tobacconist) beer, wine, and liquor (BWL) license in Harford County, and authorizes the Harford County Board of License Commissioners to issue the license to up to three license holders of a tobacconist license under Title 16.5, Subtitle 2 of the Business Regulation Article. The license authorizes the holder to sell beer, wine, and liquor for on-premises consumption, and to conduct an on-premises beer, wine, and liquor tasting every day of the year. The license holder is not required to sell food. Alcoholic beverages may be sold between 4 p.m. and midnight each day that the licensed premises is open. The sale of nontobacco products at the licensed premises may not exceed 30% of the total gross yearly sales. The annual license fee is \$500.

The bill takes effect July 1, 2017.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Harford County revenues increase by a minimal amount from application fees, license fees, and renewal fees. Harford County can monitor new licenses with existing resources.

**Small Business Effect:** Minimal overall, but potential meaningful impact on a tobacconist that applies for and receives a license.

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## Analysis

**Bill Summary:** An applicant for the Class B (tobacconist) BWL license must demonstrate to the board that the establishment has adequate tables, chairs, and facilities for the sale and consumption of beer, wine, and liquor. Additionally, an applicant for the issuance or renewal of the license must show that gross sales of tobacco and tobacco-related products totaled at least \$500,000 for each of the three previous calendar years.

A license holder must (1) restrict sales of beer, wine, and liquor to a location where access is limited to individuals who are at least 18 years of age; (2) use video monitors to record the area where beer, wine, and liquor is consumed; (3) maintain video recordings for at least 30 days; and (4) on request, make a video recording available to the board.

**Current Law:** In Maryland, alcoholic beverages licenses are granted by each jurisdiction's board of license commissioners to permit the sale and consumption of alcohol at specified places such as restaurants, taverns, hotels, clubs, or places of public entertainment. Other types of establishments cannot normally acquire a license but may be granted eligibility to apply.

### *Tobacconist License*

An applicant for a license to act as a tobacconist must obtain a county license by submitting to the clerk an application for each permanent or temporary place of business located in the same enclosure and operated by the same applicant. The applicant must also pay to the clerk a fee of \$15, unless the person is licensed to act as a cigarette or special cigarette retailer. The application must be made on the form that the clerk requires and contain the information that the Comptroller requires.

**Background:** In fiscal 2016, 196 alcoholic beverages licenses were issued for use in Harford County. Harford County advises that only one cigar shop has inquired about purchasing a license to serve alcoholic beverages.

**Local Revenues:** Harford County revenues increase by \$500 for each new license issued, in addition to any application fees. Future year revenues include annual license fees and any renewal fees established by the board. It is unknown how many cigar shops qualify or will apply for licenses in Harford County.

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** Although designated as a cross file, HB 1445 (Delegates Reilly and Cassilly - Economic Matters) is different.

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

**Fiscal Note History:** First Reader - February 22, 2017

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