

Department of Legislative Services  
Maryland General Assembly  
2017 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 646  
Economic Matters

(Frederick County Delegation)

Education, Health, and Environmental Affairs

---

Frederick County - Alcoholic Beverages - Restaurants - Average Daily Receipts

---

This bill requires a licensee in Frederick County to have average daily receipts from the sale of food of at least 40% of the total average daily receipts in order to qualify as a restaurant. The average daily receipts requirement does not apply to sales after 10 p.m.

The bill takes effect July 1, 2017.

---

Fiscal Summary

**State Effect:** None.

**Local Effect:** Frederick County can handle enforcement with existing resources. Revenues are not affected.

**Small Business Effect:** The bill's provisions will make it easier for many licensees in the county to meet the average daily receipts requirement in order to qualify as a restaurant for purposes of liquor licensing.

---

Analysis

**Current Law:** Under State law, "restaurant" means an establishment that (1) accommodates the public; (2) is equipped with a dining room with facilities for preparing and serving regular meals; and (3) has average daily receipts from the sale of food that exceed the average daily receipts from the sale of alcoholic beverages.

A local licensing board may set a different standard as to what constitutes a restaurant by regulation.

---

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 453 (Senators Young and Hough) - Education, Health, and Environmental Affairs.

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

**Fiscal Note History:** First Reader - February 16, 2017  
md/tso Third Reader - March 10, 2017

---

Analysis by: Michelle Davis

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