

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 723
Economic Matters

(Delegate Beitzel)
Education, Health, and Environmental Affairs

Garrett County - Alcoholic Beverages - Revisions

This bill makes various changes to the alcoholic beverages laws in Garrett County. The bill (1) reclassifies a draft beer license to be a draft beer *permit*; (2) repeals a requirement that the Garrett County Board of License Commissioners may issue a Class C multiple day license without holding a hearing only if the board has approved a license for the licensee in the previous year; (3) authorizes a club licensed under a multiple event license to cater functions on its premises; (4) repeals a prohibition against the issuance of an alcoholic beverages license to an applicant who has not had an established business for at least a year; and (5) repeals a prohibition against the issuance of a Class A or Class D beer, beer and wine (BW), or beer, wine, and liquor (BWL) license to a person that holds an out-of-state alcoholic beverages license. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: None

Local Effect: Garrett County revenues increase minimally to the extent that additional alcoholic beverages licenses are issued under the bill. Garrett County can implement the bill's changes and handle any enforcement activity with existing resources.

Small Business Effect: Minimal.

Analysis

Current Law:

Garrett County Draft Beer License

The board may issue a draft beer license for use in an establishment licensed to sell beer. The license authorizes the licensee to sell draft beer. Applicable fees include a \$75 issuing

fee and a \$75 annual fee. The board may issue a refillable container permit for draft beer to a licensee who holds, in addition to a draft beer license, an alcoholic beverages license that is not a Class A or Class C license.

Hearing Requirement Exemptions for Issuance of a Class C Multiple Day License

Generally, in the State, a local licensing board must hold a public hearing before issuing an alcoholic beverages license. In Garrett County, the board is not required to hold a hearing before issuing a Class C multiple day license if (1) a licensee anticipates attendance of fewer than 500 individuals at an event and (2) the board has approved a license for the licensee in the previous year. A Class C multiple day license generally authorizes a club to sell and serve alcoholic beverages at an event conducted by the club.

Class C Multiple Event License

The board may issue a multiple event license to a club that qualifies for a Class C multiple day license. The license generally authorizes a club to sell and serve alcoholic beverages at multiple events per year, subject to specified notice requirements. A club licensed under a multiple event license must ensure that at least one server certified by an approved alcohol awareness program is on the premises when alcoholic beverages are served.

General Prohibitions against Issuance of Alcoholic Beverages Licenses

The board may not issue an alcoholic beverages license to an applicant who has not had an established business for at least one year before the application date. In addition, the board may not issue a Class A or Class D beer, BW, or BWL license to a person who holds an out-of-state alcoholic beverages license. The board may, however, renew a Class A or Class D beer, BW, or BWL license originally issued to a holder of an out-of-state alcoholic beverages license.

A Class A BWL license may not be issued in Garrett County.

Background: According to the Comptroller's Office, in fiscal 2018, there were 75 alcoholic beverages licenses issued in Garret County.

Additional Information

Prior Introductions: None.

Cross File: SB 547 (Senator Edwards) - Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - February 14, 2019
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