

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 643

(Senator Edwards)

Education, Health, and Environmental Affairs

Economic Matters

Garrett County - Alcoholic Beverages Act of 2020

This bill (1) authorizes a holder of a manufacturer's license in Garrett County to sell and deliver alcoholic beverages to a licensed retail establishment on an election day; (2) authorizes the Garrett County Board of License Commissioners to issue a Class BDR (deluxe restaurant) license to the holder of *any* Class B license issued by the board or to a holder of a specified license issued by a local licensing board of a different jurisdiction; (3) alters minimum seating requirements for a Class BDR (deluxe restaurant) beer, wine, and liquor (BWL) license; and (4) authorizes the board to issue a refillable container permit for wine. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Garrett County revenues increase annually beginning in FY 2021 to the extent that additional licenses and permits are issued as a result of the bill. Any enforcement activity can be handled with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary:

Class BDR (Deluxe Restaurant) License: The bill authorizes the board to issue a Class BDR (deluxe restaurant) beer and wine (BW) or BWL license to the holder of

any Class B license or to the holder of an equivalent license that the local licensing board of a different jurisdiction issues only for use by a restaurant.

In addition, the bill lowers the minimum table seating requirement (excluding bars or counters) for a Class BDR (deluxe restaurant) BWL license from 85 to 20.

Refillable Container Permit – Wine: The bill authorizes the board to issue a refillable container permit for wine to a license holder authorized to sell wine for off-premises consumption, subject to specified existing statewide provisions. The annual permit fee is \$75, and the board must charge an additional one-time issuing fee of \$75 for a new permit.

Current Law:

Class BDR (Deluxe Restaurant) BW License: The board may issue a Class BDR (deluxe restaurant) BW license to the holder of a Class B beer or Class B BW license for use by a deluxe restaurant, as defined by the board, that has (1) seating for at least 20 individuals and (2) a minimum capital investment of \$25,000 for the restaurant facilities, excluding the cost of land or buildings. The license authorizes the holder to sell at retail beer and wine for on-premises consumption and beer for off-premises consumption. The board may issue the license with a catering option, as specified. The annual license fee ranges from \$500 to \$710 depending on the days of sale and catering option. The board must charge a one-time issuing fee for a new license in an amount equal to the annual license fee.

Class BDR BWL License: The board may issue a Class BDR (deluxe restaurant) BWL license to the holder of a Class B BW license, Class B BWL license, or Class B Resort BWL license for use by a deluxe restaurant, as defined by the board, that has (1) seating at tables (excluding seats at bars or counters) for at least 85 individuals and (2) a minimum capital investment of \$250,000 for the restaurant facilities, excluding the cost of land or buildings. The board may issue the license with a catering option, as specified. The annual license fee ranges from \$2,250 to \$3,125 depending on the days of sale and catering option. The board must charge a one-time issuing fee for a new license in an amount equal to the annual license fee.

Refillable Container Permit – Wine: Generally, in the State, a local licensing board may issue a refillable container permit for wine. The permit authorizes the holder to (1) sell wine for off-premises consumption in a refillable container and (2) sell and refill a refillable container. Refillable containers must meet specified standards. The term and hours of sale for a refillable container permit are the same as those for the underlying license.

However, the issuance of a refillable container permit for wine is not authorized in Garrett County.

Background: According to the Comptroller's Office, in fiscal 2019, there were 77 alcoholic beverages licenses issued in Garret County, including 36 Class B licenses.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 786 (Delegate Beitzel) - Economic Matters.

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

Fiscal Note History: First Reader - February 13, 2020
mm/tso Third Reader - March 14, 2020
Revised - Amendment(s) - March 14, 2020

Analysis by: Elizabeth J. Allison

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