

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 829
Economic Matters

(Harford County Delegation)

Education, Health, and Environmental Affairs

Harford County - Alcoholic Beverages - Class DLR License

This bill establishes a Class DLR License in Harford County. The Harford County Board of License Commissioners may issue the license to a holder of a Class 1 distillery license. The license authorizes the license holder to sell mixed drinks made from liquor that the license holder produces that is mixed with nonalcoholic ingredients for on-premises consumption. The license holder is not required to sell food but is required to provide prepackaged snacks. A holder of a Class DLR license may sell mixed drinks on Monday through Sunday, from 8:00 a.m. to 2:00 a.m. the following day. The annual license fee is \$500. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues increase by a minimal amount from fees associated with the Class DLR license.

Small Business Effect: Minimal overall, but potential meaningful for small businesses that receive a Class DLR license.

Analysis

Current Law: A local licensing board may grant an on-site consumption permit for use at the location of the Class 1 distillery license to a holder of a Class 1 distillery license.

The permit authorizes the holder to sell mixed drinks made from liquor that the holder produces that is mixed with other nonalcoholic ingredients for on-premises consumption.

The holder may not use more than an aggregate of 7,750 gallons annually of liquor the holder produces for mixed drinks sold.

A local licensing board (1) may establish and charge a permit fee and (2) must require the permit holder to comply with the alcoholic awareness requirements under § 4-505 of the Alcoholic Beverages Article and abide by all applicable trade practice restrictions.

Background: In fiscal 2019, there were 201 alcoholic beverages licenses issued in Harford County. Currently, there are four distilleries in the county.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 380 (Harford County Senators) - Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - February 10, 2020
af/tso Third Reader - March 5, 2020

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