

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 185
Economic Matters

(Delegate T. Branch)
Education, Health, and Environmental Affairs

Alcoholic Beverages - On-Sales - Required Multiple Purchases

This bill prohibits an alcoholic beverages license holder in the State (or an employee of a license holder) from conditioning the sale of alcoholic beverages for on-premises consumption on the purchase of more than one alcoholic beverage. The issuer of an alcoholic beverages license may revoke or suspend the license for violating this requirement. Additionally, the bill establishes criminal penalties for such a violation.

Fiscal Summary

State Effect: The bill's penalty provisions are not anticipated to have a material impact on State finances or operations.

Local Effect: The bill's penalty provisions are not anticipated to have a material impact on local finances or operations. Local alcoholic beverages licensing boards can enforce the bill using existing budgeted resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: Instead of or in addition to suspending or revoking the license, a person who violates this section is guilty of a misdemeanor and, on conviction, is subject to up to one year in prison, or a fine up to \$1,000, or both for each offense.

Current Law: The State's 23 counties and the cities of Baltimore and Annapolis all have boards of license commissioners to issue retail alcoholic beverages licenses. Each

jurisdiction generally has its own regulatory structure and rules governing the issuance of and privileges associated with alcoholic beverages licenses.

Within each jurisdiction, the most common type of retail licenses are Class A, Class B, Class C, and Class D licenses. Each license authorizes the sale of alcoholic beverages in a different manner. Class A licenses are generally issued to liquor stores and allow off-premises consumption. Class B licenses are generally issued to restaurants and hotels but allow off- and on-premises consumption. Class C licenses are generally issued to clubs and nonprofit organizations and allow on-premises consumption. Class D licenses are generally issued to bars and taverns and allow on- and off-premises consumption depending upon the local jurisdiction.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Harford, Montgomery, Talbot, and Wicomico counties; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2021
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