

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 755

(Senator Hayes)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - 40th District Alcoholic Beverages

This bill generally restricts license holders in specified geographical areas in the 40th alcoholic beverages district in Baltimore City from selling alcoholic beverages before 10:00 a.m. or after 10:00 p.m. Specified classes of licenses are exempt from the restriction on hours. The bill additionally authorizes the Baltimore City Board of License Commissioners to issue a Class B-D-7 license and a Class C beer, wine, and liquor (BWL) license in the 40th alcoholic beverages district, as specified. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues increase by an estimated \$3,070 in FY 2022 and \$1,970 annually thereafter, as discussed below. Baltimore City can handle any additional enforcement with existing resources.

Small Business Effect: Minimal overall, but potential meaningful impact for a license holder whose hours of sale are restricted under the bill or who obtains a license as specified.

Analysis

Bill Summary: For a license holder in specified geographical areas in the 40th alcoholic beverages district, the hours of sale for alcoholic beverages may not begin before 10:00 a.m. or end after 10:00 p.m. This restriction does not apply to (1) a Class B beer and light wine (restaurant) license; (2) a Class B BWL (restaurant) license, as specified; (3) a

Class B-BWL (H-M) license; (4) a Class C beer and wine license; (5) a Class C BWL license; (6) an arena license; or (7) a marketplace license.

The bill authorizes the board to issue a Class B-D-7 license on the eastern side of the 400 block of North Howard Street in the 40th alcoholic beverages district if (1) the applicant does not convert the license to a different license class; (2) alcoholic beverages are served outdoors only to patrons seated at tables or standing in a courtyard area; (3) the applicant does not allow the off-premises sale of alcoholic beverages; (4) alcoholic beverages sales begin no earlier than 10:00 a.m.; and (5) the applicant executes memorandums of understanding (MOU), as specified.

The bill additionally authorizes the board to issue a Class C BWL license in the 1200 block of Eutaw Place in the 40th alcoholic beverages district, if the applicant executes a MOU with the Bolton Hill Community Association.

Current Law:

General Restriction on Hours of Sale

A licensed establishment generally may not permit consumption between 2:00 a.m. and 6:00 a.m. except as otherwise specified. Authorized hours of sale may further vary depending on the class of license and location within Baltimore City.

Class B-D-7 Licenses

The board may issue a Class B-D-7 license if it determines, upon consideration of the number of beer, wine, and liquor outlets in the affected area and the outlets' days of sale, that the license is reasonably necessary for public convenience. A Class B-D-7 license authorizes the licensee to sell beer, wine, and liquor for on- and off-premises consumption. With specified exceptions, a Class B-D-7 licensee may generally sell beer, wine, and liquor from 6:00 a.m. to 2:00 a.m. the following day. The annual license fee is \$1,320.

Class C BWL Licenses

In Baltimore City, Class C licenses generally authorize clubs and other organizations to sell alcoholic beverages for on-premises consumption. A Class C BWL license authorizes the license holder to sell beer, wine, and liquor at a club at the place described in the license for on-premises consumption. The annual license fee is \$550.

Local Revenues: The bill authorizes the board to issue one Class B-D-7 license and one Class C BWL license within the 40th alcoholic beverages district. Assuming that both licenses are issued in fiscal 2022, Baltimore City revenues increase by \$3,070 in

fiscal 2022 and \$1,970 annually thereafter. This estimate accounts for annual license fees of \$1,320 (for the Class B-D-7 license) and \$550 (for the Class C BWL license), as well as a \$600 application fee and \$50 renewal fee for each license.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 1288 (Delegate Amprey) - Economic Matters.

Information Source(s): Department of Legislative Services

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