

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1059

(Allegany County Delegation and Garrett County
Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Allegany and Garrett Counties - Alcoholic Beverages - Gift Basket Permits

This bill establishes a gift basket permit in Allegany and Garrett counties. A gift basket permit may be issued to a person whose primary business is the sale and delivery of flowers or specified gift baskets who does not hold any other alcoholic beverages license or permit. The gift basket permit fee is \$100. The permit holder's annual sales from alcoholic beverages may not exceed 10% of the holder's annual gross sales. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: None.

Local Effect: Allegany and Garrett counties revenues increase to the extent gift basket permits are issued in each county under the bill. The counties can monitor permits and adopt the required regulations with existing resources.

Small Business Effect: Minimal overall, but potential meaningful impact for permit holders able to sell gift baskets containing alcohol, as specified, under the bill.

Analysis

Bill Summary: The bill's provisions are the same for each county, except that in Garrett County there is an additional one-time issuing fee of \$100 for a new permit.

A permit holder may sell and deliver, to consumers of a legal drinking age located in the county, gift baskets containing up to 72 ounces of beer, 2.25 liters of wine, or 2.25 liters of

liquor. The permit holder or an employee of the permit holder must deliver the gift basket and require the person receiving the delivery to display proof that the person is at least 21 years old. An individual who delivers a gift basket under the bill must be at least 21 years old. The alcoholic beverages contained in a gift basket must be purchased from a retail license holder.

A permit may not be issued for use in conjunction with or on the premises of a chain store, supermarket, or discount house. Each county's Board of License Commissioners must adopt regulations to carry out the bill. Additionally, a permit holder must maintain records and submit reports as required by the board.

Local Fiscal Effect: Allegany and Garrett counties revenues increase by \$100 annually for each gift basket permit issued. In addition, Garrett County revenues increase from one-time issuing fees of \$100 for each new gift basket permit issued in the county. As the number of individuals that will seek to obtain a permit, as a result of the bill, is unknown, any corresponding revenue increase cannot be reliably estimated. The counties can monitor permits and adopt the required regulations with existing resources.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 731 (Senator Edwards) - Education, Health, and Environmental Affairs.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2021
rh/tso Third Reader - March 17, 2021

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