

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1063
Economic Matters

(Harford County Delegation)

Finance

Harford County - Alcoholic Beverages - Class HC (Health Club) License

This bill establishes six-day and seven-day Class HC (health club) beer and wine licenses in Harford County. The Harford County Board of License Commissioners may issue a 6-day or 7-day Class HC license to a person who (1) sells health club services, as specified, (2) has a health club facility that offers an indoor or outdoor swimming pool, or pickleball courts; (3) has at least 150 members who pay dues, and (4) owns or leases real property in the county for use as a for-profit or nonprofit health club facility. The annual fee for the 6-day Class HC license is \$1,300 and the annual fee for the 7-day Class HC license is \$1,400. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues increase, beginning in FY 2024, to the extent that 6-day and/or 7-day Class HC licenses are issued under the bill. Harford County can monitor any additional licenses using existing resources.

Small Business Effect: Minimal overall, but potential meaningful for any small business health club that obtains a Class HC license under the bill.

Analysis

Bill Summary: The 6-day Class HC license authorizes the license holder to sell beer and wine from Monday through Saturday in a bar area at a swimming pool or an indoor lounge or both.

The 7-day Class HC license authorizes the license holder to sell beer and wine from Monday through Sunday in a bar area at a swimming pool or an indoor lounge or both.

The 6-day and 7-day Class HC license holders may sell beer and wine for on-premises consumption from 1 p.m. to 9 p.m.

The license holder must purchase beer and wine from an authorized licensed wholesaler.

Local Fiscal Effect: The annual license fee for a 6-day Class HC license is \$1,300, and the annual license fee for a 7-day Class HC license is \$1,400. Harford County estimates that one business will obtain a 7-day Class HC license beginning in fiscal 2024. Therefore, Harford County license fee revenues increase by \$1,400 beginning in fiscal 2024.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 654 (Senator Gallion) - Finance.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2023
rh/tso Third Reader - March 28, 2023
Revised - Amendment(s) - March 28, 2023

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