

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Enrolled

House Bill 635

(Harford County Delegation)

Economic Matters

Finance

Harford County - Alcoholic Beverages - Performing Arts Nonprofit Organization
License

This bill establishes a performing arts nonprofit organization beer, wine, and liquor license in Harford County. The Harford County Board of License Commissioners may issue the license for use on the premises of a performing arts nonprofit organization. The annual license fee is \$750. The bill also establishes recordkeeping and reporting requirements for license holders and penalty provisions, as specified. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues increase, beginning in FY 2025, to the extent that performing arts nonprofit organization licenses are issued and penalties are collected under the bill. Harford County can handle any additional enforcement activities with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: “Performing arts nonprofit organization” means a nonprofit organization that organizes the production of plays, acts, dramas, concerts, or similar events by individuals performing on a stage or the showing of films. The license authorizes the holder to sell or serve beer, wine, and liquor at retail for on-premises consumption at up to three locations designated at the time of application.

The locations designated at the time of application must (1) be suitable for the production of plays, acts, dramas, concerts, or similar events by individuals performing on a stage or the showing of films and (2) meet any other requirements established by the board. The license holder may alter the authorized locations each time the license is renewed.

The license holder may sell or serve beer, wine, and liquor (1) one hour before and after a performance; (2) during a performance; (3) during an intermission; and (4) during a reception within one hour before or after a performance. The license holder must serve or offer for sale snacks at all times when beer, wine, and liquor are sold.

The bill establishes various record, bookkeeping, and reporting requirements for license holders. In addition, the bill authorizes the Comptroller's Office to immediately suspend for a maximum of 30 days the license of a license holder who fails to comply with these requirements, as specified.

If a report required by the bill or an investigation conducted by specific individuals indicates that the license holder violated the bill's requirements, the Harford County Board of License Commissioners must summon the license holder and conduct a hearing. Violators are subject to a fine between \$250 and \$2,000 and may have their license suspended or revoked.

This license is nontransferable. The license holder must purchase beer, wine, and liquor from an authorized licensed wholesaler.

Issuance of a performing arts nonprofit organization license does not prohibit the board from issuing a Class C *per diem* license that applies to the performing arts nonprofit organization for an event outside the scope of the license.

Current Law: In Harford County, there are Class C *per diem* beer and wine and Class C *per diem* beer, wine, and liquor licenses that may be issued to nonprofit organizations, as specified.

Chapters 397 and 398 of 2023 established a performing arts theater beer and wine license in Harford County that the board may issue for use on the premises of a performing arts theater operated by a nonprofit organization, as specified.

Local Revenues: Harford County revenues increase by \$750 for each performing arts nonprofit organization beer, wine, and liquor license issued under the bill. Harford County estimates that it will issue one license beginning in fiscal 2025; therefore, Harford County revenues increase by at least \$750 from license fees beginning in fiscal 2025. In addition, Harford County revenues may increase to the extent penalties are collected under the bill.

Additional Information

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

Designated Cross File: SB 734 (Harford County Senators) - Finance.

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

Fiscal Note History: First Reader - February 14, 2024
km/tso Third Reader - March 21, 2024
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