

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Preliminary

MC 5-18

(Montgomery County Delegation)

**Montgomery County - Alcoholic Beverages - Food Sales Requirements and
Hours and Days of Sale MC 5-18**

This proposed bill repeals the requirement that the holder of a Class BD-BWL license or a Class D beer, wine, and liquor license in Montgomery County maintain food sales equal to at least 40% of food and alcohol sales combined during certain hours each day. The bill also repeals related provisions that require audits by the county board of license commissioners and sworn statements by the licensee to ensure the ratio is met. Instead of maintaining this ratio, both types of licensee must ensure food is always available for sale when alcoholic beverages are being served, and the county board of license commissioners must specify the types of food that must be available during that time. Lastly, the bill authorizes alcoholic beverages to be sold by the licensees on a Sunday from 10 a.m. to 3 a.m. the following day when that following day is designated as a federal public holiday, instead of only on specified holidays.

The bill takes effect July 1, 2018.

Fiscal Summary

State Effect: None.

Local Effect: Although the bill is not expected to materially affect Montgomery County operations or finances, the county may experience operational efficiencies from performing fewer audits and reviewing fewer sworn statements.

Small Business Effect: Minimal.

Analysis

Current Law/Background: In Maryland, Class B licenses allow licensees to sell alcoholic beverages in specified hotels and restaurants for consumption on- or off-premises. Similarly, a Class D license allows the sale of alcoholic beverages in establishments such as taverns and bars.

In Montgomery County, a Class BD-BWL license authorizes the sale of beer and wine for on- or off-premises consumption and liquor for on-premises consumption only, and a Class D beer, wine, and liquor license authorizes the sale of beer, wine, and liquor for on-premises consumption only. For both types of license, the licensed business must maintain food sales equal to at least 40% of food and alcohol sales combined. To ensure this ratio is maintained, the county board of license commissioners is required to audit each licensee.

Additionally, during the initial license year, for both types of license, the county board of license commissioners must make monthly physical inspections of the premises and the licensee must submit monthly statements that show food and alcohol sales to ensure the required ratio is being maintained. After the initial license year, the premises must be periodically inspected and audited to ensure the food and alcohol sales ratio is being maintained.

Additional Information

Prior Introductions: None.

Cross File: Unavailable at this time.

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

Fiscal Note History:

md/tso

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