

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 242 (Frederick County Delegation)
Economic Matters

Frederick County - Alcoholic Beverages - Multiple Event Licenses and
Promoter's License

This bill authorizes an applicant in Frederick County to purchase a single-day or a multiday special Class C license; the license fee is \$10 per day or \$30 per day depending on the license type. The bill also establishes a promoter's license in Frederick County; the license fee ranges from \$250 to \$1,000 depending on the projected attendance at the licensed event.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Frederick County license fee revenues may increase due to the establishment of the promoter's license. The bill's changes to the special Class C licenses are not anticipated to materially affect county revenues. Expenditures are not materially affected.

Small Business Effect: Minimal overall, but potential meaningful impact for any small business that applies for and obtains a promoter's license or a multiple event license.

Analysis

Bill Summary:

Special Class C Permits

The bill authorizes an applicant in Frederick County to purchase a single-day or a multiday special Class C beer; special Class C beer and wine; or special Class C beer, wine, and

liquor license. The fee for a single-day or multiday special Class C beer license or beer and wine license is \$10 per day. The fee for a single-day or multiday special Class C beer, wine, and liquor license is \$30 per day. The total number of days for which these licenses may be issued to a single applicant is capped at 50 days per calendar year.

Promoter's License

The bill also establishes a promoter's license in Frederick County issued by the Frederick County Board of License Commissioners to a for-profit organization. A for-profit organization must obtain a promoter's license from the board before it may publicize, sell tickets for, organize, operate, produce, or stage an event at which alcoholic beverages are sold or served and that is conducted in conjunction with the holder of a special license discussed above. The board may adopt regulations establishing requirements for conducting an event, including health and safety standards.

The fees for a promoter's license are shown in **Exhibit 1**.

Exhibit 1
Fees for Promoter's License in Frederick County

<u>Attendance</u>	<u>Fee</u>
Fewer than 1,000	\$250
1,001 to 3,000	\$600
More than 3,000	\$1,000

Source: Department of Legislative Services

Current Law: The Frederick County Liquor Board may grant a special Class C license to a club, society, or association for a bona fide entertainment event held or conducted by the organization.

A special Class C beer license; a special Class C beer and light wine license; or a special Class C beer, wine, and liquor license allows the holder to exercise any of the privileges conferred by the respective license class for a period not to exceed seven consecutive days. The license fee for a special Class C beer license and a special Class C beer and light wine license is \$10 per day; the license fee for a special Class C beer, wine, and liquor license is \$30 per day.

Background: The Frederick County Liquor Board advises that a number of organizations hold multiple events each year, and an organization must obtain a special Class C license for each event. Under the bill, instead of purchasing individual event licenses, an organization may purchase a special multiple event license.

There are currently one special Class C beer license and 38 special Class C beer, wine, and liquor licenses active in Frederick County.

Additionally, the Frederick County Liquor Board advises that for-profit organizations, which are ineligible for a special Class C license, make arrangements with eligible clubs, societies, or associations to obtain a special Class C license. As a result of these arrangements, the special Class C license holder is held responsible for the event and for-profit organizations have no accountability to the Frederick County Liquor Board.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Frederick County, Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2015
md/lgc

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