## **Department of Legislative Services**

Maryland General Assembly 2025 Session

## FISCAL AND POLICY NOTE Third Reader

House Bill 655

(Wicomico County Delegation)

Economic Matters Finance

Wicomico County - Alcoholic Beverages - Temporary To-Go Event Permit and Class C Per Diem Municipal To-Go Beer, Wine, and Liquor License

This bill establishes, in Wicomico County, a Class C per diem municipal to-go beer, wine, and liquor (BWL) license and a related temporary to-go event permit. The bill authorizes the Wicomico County Board of License Commissioners to issue the license to municipalities in the county, and authorizes the license holder to allow beer, wine, and liquor sold by the holder of a temporary to-go event permit to enter a designated special event area described in the license for a period not exceeding seven consecutive days, as specified. The bill also authorizes the board to issue a to-go event permit to the holder to a Class B BWL license located within or immediately adjacent to a special event area identified in and for use in conjunction with a Class C per diem municipal to-go BWL license. The board must establish regulations for the license and permit, as specified. The fee for the Class C per diem municipal to-go BWL license is \$45 per day, and the fee for the temporary to-go event permit is \$20 per day. The bill takes effect July 1, 2025.

# **Fiscal Summary**

**State Effect:** None.

**Local Effect:** Wicomico County revenues increase, beginning in FY 2026, to the extent Class C *per diem* municipal to-go BWL licenses and temporary to-go event permits are issued. Wicomico County can handle the monitoring of any additional licenses or permits issued using existing resources.

Small Business Effect: Minimal.

### **Analysis**

#### **Bill Summary:**

Class C Per Diem Municipal To-go BWL license – Required Regulations

The board must adopt regulations related to the issuance of and requirements for a Class C per diem municipal to-go BWL license, including regulations related to (1) the designation of a special event area; (2) the hours of sale; (3) age verification requirements; (4) the use of specified to-go cups; (5) advertising, posting of notice, and public hearing requirements for the license and any associated temporary to-go event permit; and (6) public safety and event security requirements.

### Temporary To-go Event Permit

The temporary to-go event permit authorizes the holder to sell at retail beer, wine, and liquor in approved to-go cups that may be carried outside the licensed established of the Class B license and into the designated special event area. The permit holder must be responsible for complying with all applicable laws and regulations.

The board must adopt regulations related to the issuance of and requirements for the permit, including regulations related to (1) the designation of a special event area; (2) the hours of sale; (3) age verification requirements; (4) the use of specified to-go cups; and (5) advertising, posting of notice, and public hearing requirements for the temporary to-go event permit.

**Current Law:** Generally, the Wicomico County Board of License Commissioners is authorized to issue a Class B BWL license to hotels that meet specified room and seating requirements and to restaurants that meet specified seating requirements and have average daily receipts from the sale of food exceeding the average daily receipts from the sale of alcoholic beverages. The license holder may purchase liquor for retail sale from the county dispensary or from a licensed wholesaler, but the license holder cannot be charged more than 15% above the wholesale operating cost to the county dispensary. The annual fee is \$1,980 for hotels and \$1,320 for restaurants.

The board may issue a wine permit to the holder of a Class B BWL license for use by a restaurant that meets specified hours of operations and menu requirements, in addition to having an area used for the preparation and consumption of food and beverages that is at least 80% of the area of the premises. The wine permit authorizes the license holder to sell, at retail, at the place described in the license (1) beer, wine, and liquor for on-premises consumption and (2) wine for off-premises consumption. The term for the wine permit is the same as the term of the Class B license.

**Local Fiscal Effect:** Wicomico County revenues increase, beginning in fiscal 2026, to the extent the board issues Class C *per diem* municipal to-go BWL licenses and temporary to-go event permits. The number of municipalities that will apply for a license under the bill is unknown, and any related permits are dependent on where the license is issued and if any Class B BWL license holders choose to apply for a permit. Therefore, any potential increase in Wicomico County license and permit fee revenues under the bill cannot be reliably estimated. Wicomico County can handle the bill's requirements with existing resources.

#### **Additional Information**

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

**Designated Cross File:** SB 798 (Wicomico County Senators) - Finance.

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

**Fiscal Note History:** First Reader - February 3, 2025 km/tso Third Reader - March 18, 2025

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