

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 46 (Senator Brochin, *et al.*)
Education, Health, and Environmental Affairs

Alcoholic Beverages - Baltimore County - License Fees

This bill decreases various license fees for the sale of alcoholic beverages in Baltimore County.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore County revenues decrease by approximately \$340,500 annually beginning in FY 2016 due to the decrease in license fees. County expenditures are not directly affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Meaningful impact on small businesses that are alcoholic beverage licensees, as most alcoholic beverages license fees are significantly reduced.

Analysis

Bill Summary/Current Law: The bill decreases license fees for the sale of alcoholic beverages in Baltimore County as shown in **Exhibit 1**.

Exhibit 1
Decrease in Baltimore County Alcoholic Beverage License Fees

<u>License Class</u>	<u>Allowed Beverages</u>	<u>Current License Fee</u>	<u>Proposed License Fee</u>
Class A	light wine	\$100	\$50
Class A	beer and light wine	\$250	\$100
Class A	beer, wine, and liquor	\$900	\$600
Class B	beer and light wine	\$300	\$150
Class B	beer, wine, and liquor	\$1,500	\$1,000
Class BDR (deluxe restaurant)	beer, wine, and liquor	\$2,000	\$1,000
Class C	beer and light wine	\$150	\$35
Class C	beer, wine, and liquor	\$1,000	\$500
Class C – Special	beer	\$20* or \$30 per day	\$5* or \$10 per day
Class C – Special	beer and wine	\$20* or \$30 per day	\$5* or \$10 per day
Class C – Special	beer, wine, and liquor	\$35* or \$50 per day	\$15* or \$25 per day
Class D	beer and light wine	\$250	\$100
Class D	beer, wine, and liquor	\$1,500	\$1,000
Special Beer Festival	beer	\$50	\$15
Special Theatre	beer, wine, and liquor	\$2,000	\$1,000
Special Wine Festival	wine	\$60	\$15
WS (wine sampling)	wine	\$30 per day	\$15 per day

*Reduced fee for bone fide religious, fraternal, civic, war veterans', hospital, or charitable organization.

Source: Department of Legislative Services

Background: Baltimore County advises that it generated \$989,821 in revenues from alcoholic beverage licenses and permits in fiscal 2014. The county had 765 active licenses in fiscal 2014 and currently reports 768 active licenses.

The bill repeals increases in license fees established by Chapter 302 of 2011 (Senate Bill 875), restoring fees to their previous levels.

Local Revenues: Local revenues decrease by \$340,500 annually beginning in fiscal 2016 as a result of the decrease in alcoholic beverage license fees. This estimate is based on

information provided by the county on the number of active licenses by type and assumes that the number of licenses by type remains constant.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore County; Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2015
mar/lgc

Analysis by: Nathan McCurdy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510