

**Department of Legislative Services**  
Maryland General Assembly  
2016 Session

**FISCAL AND POLICY NOTE**  
**Enrolled - Revised**

House Bill 1072  
Economic Matters

(Delegate Beitzel)

Education, Health, and Environmental Affairs

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**Garrett County - Alcoholic Beverages - Various Licenses**

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This bill establishes specified 7-day alcoholic beverages licenses and sets both annual and one-time new license issuing fees in Garrett County. The bill establishes that the one-time new license issuing fee is equal to the annual license fee. Currently, all licenses in Garrett County are effectively 6-day licenses. The board may issue a separate “Sunday sales option” to a holder of an eligible license for an additional \$250 fee. The bill extends, from 2 to 5, the number of days that specified license holders may accept returns after the expiration of a wine festival license. The bill also exempts from a specified hearing requirement an application for a Class C multiple-day beer license; beer and wine (BW) license; and beer, wine, and liquor (BWL) license if (1) the license holder anticipates attendance of fewer than 500 individuals at the event and (2) the board has approved a license for the license holder in the prior year.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Garrett County revenues may increase by an indeterminate amount beginning in FY 2018 due to one-time new license fees being collected by applicants for the new 7-day licenses and decline by an indeterminate amount in the out-years due to the elimination of revenue collected for the Sunday sales option.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** The bill establishes separate 7-day licenses and sets fees for specified licenses as described in **Exhibit 1**.

**Exhibit 1**  
**Annual License Fees in Garrett County**

	<b>Current</b>				<b>Proposed</b>			
	<b><u>Beer</u></b>	<b><u>Wine</u></b>	<b><u>BW</u></b>	<b><u>BWL</u></b>	<b><u>Beer</u></b>	<b><u>Wine</u></b>	<b><u>BW</u></b>	<b><u>BWL</u></b>
<b>Class A</b>								
6-day	\$150	\$50	\$350		\$150	\$50	\$350	
7-day*	N/A	N/A	N/A		175	60	410	
<b>Class B</b>								
6-day	150		350	\$1,500	150		350	\$1,500
7-day*	N/A		N/A	N/A	175		410	1,750
6-day with catering privilege	250		475	2,000	250		475	2,000
7-day with catering privilege*	N/A		N/A	N/A	275		535	2,250
<b>Class BDR (deluxe restaurant)</b>								
6-day			500	2,250			500	2,250
7-day*			N/A	N/A			585	2,625
6-day with catering privilege			625	2,750			625	2,750
7-day with catering privilege*			N/A	N/A			710	3,125
<b>Class B-B&amp;B (bed and breakfast)</b>								
6-day 5 or fewer rooms				25				25
7-day 5 or fewer rooms*				N/A				30
6-day 6 to 10 rooms				50				50
7-day 6 to 10 rooms*				N/A				60
6-day 11 or more rooms				75				75
7-day 11 or more rooms*				N/A				90

	<b>Current</b>				<b>Proposed</b>			
	<b><u>Beer</u></b>	<b><u>Wine</u></b>	<b><u>BW</u></b>	<b><u>BWL</u></b>	<b><u>Beer</u></b>	<b><u>Wine</u></b>	<b><u>BW</u></b>	<b><u>BWL</u></b>
<b>Class B-resort</b>								
6-day two facilities				\$3,000				\$3,000
7-day two facilities*				N/A				3,500
6-day each additional facility				1,500				1,500
7-day each additional facility*				N/A				1,750
<b>Class C (club and organization)</b>								
6-day				1,500				1,500
7-day*				N/A				1,750
<b>Class D</b>								
6-day	\$150		\$350		\$150		\$350	
7-day*	N/A		N/A		175		410	
6-day with catering privilege			475				475	
7-day with catering privilege*			N/A				535	
<b>Class D (75% on-sale)</b>								
6-day				1,500				1,500
7-day*				N/A				1,750
6-day with catering privilege				2,000				2,000
7-day with catering privilege*				N/A				2,250
<b>Class D (75% off-sale)</b>								
6-day				3,000				3,000
7-day*				N/A				3,500

\*Indicates license created under the bill

Note that a new license holder is required to pay, in addition to the annual license fee, a one-time new license issuing fee equal to the amount of the annual license.

Source: Department of Legislative Services

**Current Law:** All licenses issued in Garrett County are effectively 6-day licenses. The board may issue a separate Sunday sales option to a holder of an eligible license for an additional \$250 fee.

**Local Fiscal Effect:** Garrett County advises that license fee revenues may fluctuate, by an indeterminate amount, depending on the precise mix of license fee adjustments as a result of the creation of specified 7-day licenses. The new 7-day licenses will generally have the effect of making the Sunday sales option superfluous (though the bill does not repeal the Sunday sales option). However, revenues likely increase in fiscal 2018 due to one-time new license fees being collected by applicants for the new 7-day licenses that replace the current 6-day license plus the Sunday sales option. Because the Garrett County license renewal cycle begins in July of each year, the bill will not impact licenses until July 2017, the beginning of fiscal 2018.

Garrett County advises that there are currently 73 alcoholic beverages licenses issued for use in the county and that 48 have purchased the Sunday sales option. Only one wine festival license is issued each year.

**Small Business Effect:** Some small business owners will see a decrease in expenditures in instances where the proposed 7-day fee is less than the total fee for the 6-day license plus the Sunday sales option. However, small businesses who hold a Class BDR or Class B-resort license will pay more if required to purchase the 7-day license as opposed to the 6-day with a Sunday sales option. Expenditures will also increase to pay the one-time new license issuing fee.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 879 (Senator Edwards) - Education, Health, and Environmental Affairs.

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

**Fiscal Note History:** First Reader - February 19, 2016  
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