

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 156 (Carroll County Delegation)
Economic Matters

Carroll County - Alcoholic Beverages - License Fee Increases

This bill increases Class A and Class D alcoholic beverages license fees in Carroll County. The Class A alcoholic beverages license fee increases are phased in from fiscal 2015 through 2018.

The bill takes effect July 1, 2014.

Fiscal Summary

State Effect: None.

Local Effect: Carroll County revenues increase by approximately \$8,680 annually in FY 2015 through 2017. Carroll County revenues increase by approximately \$14,840 annually beginning in FY 2018. County expenditures are not affected.

Small Business Effect: Minimal impact on small businesses that are Class A or Class D alcoholic beverages license holders due to their license fees increasing between \$100 and \$200 from FY 2015 to 2017 and increasing by up to \$350 thereafter.

Analysis

Bill Summary/Current Law: The bill increases Class A and Class D alcoholic beverages license fees in Carroll County, as shown in **Exhibit 1**.

Exhibit 1
Proposed Increases in Carroll County Alcoholic Beverages License Fees

<u>License Class</u>	<u>Allowed Beverages</u>	<u>Current License Fee</u>	<u>Proposed License Fee FY 2015-2017</u>	<u>Proposed License Fee Beginning FY 2018</u>
Class A	beer	\$100	\$200	\$250
Class A	beer and wine	140	340	500
Class A	beer, wine, and liquor	650	850	1,000
Class D	beer	130	250	250
Class D	beer and wine	160	250	250

Background: A Class A alcoholic beverages license authorizes the license holder to sell at retail alcoholic beverages in sealed packages or containers for consumption off premises. A Class D alcoholic beverages license authorizes the license holder to sell at retail alcoholic beverages for on- or off-premises consumption.

Local Fiscal Effect: There are 145 alcoholic beverages licenses in Carroll County, of which none are Class A beer licenses; 1 is a Class A beer and wine license; 40 are Class A beer, wine, and liquor licenses; 1 is a Class D beer license; and 4 are Class D beer and wine licenses. Assuming the number of licensees remains constant, the increase in alcoholic beverages licensing fees generates an additional \$8,680 in revenues annually from fiscal 2015 to 2017. Beginning in fiscal 2018, license fee revenues increase by \$14,840 annually.

Additional Information

Prior Introductions: A similar bill, SB 848 of 2013, passed the Senate and received a hearing in the House Economic Matters Committee, but no further action was taken.

Cross File: None.

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

Fiscal Note History: First Reader - January 22, 2014
mm/lgc

Analysis by: Heather N. Ruby

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