

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 836

(Senator McFadden)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - 45th District - Alcoholic Beverages - Licenses

This bill authorizes the Baltimore City Board of Liquor License Commissioners to issue a Class C beer, wine, and liquor license in the 45th alcoholic beverages district. The bill also authorizes the holder of a Class A retail alcoholic beverages license to exercise off-sale privileges on two additional Sundays during the calendar year, upon payment of a \$75 license fee. The number of times that the board may issue a supplemental Sunday license during any calendar year to a holder of a Class D beer, wine, and liquor license is increased from two to four.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues from alcoholic beverages licensing fees increase by at least \$18,900 annually beginning in FY 2012. Expenditures are not affected.

Small Business Effect: Potential meaningful.

Analysis

Current Law: New licenses for the sale of alcoholic beverages may not be issued in the 45th alcoholic beverages district (entire district). The annual license fee for a Class C beer, wine, and liquor license in Baltimore City is \$550.

In Baltimore City, a holder of a Class A retail alcoholic beverages license may exercise the off-sale license privilege on the Sundays that fall between Thanksgiving Day and New Year's Day from 1 p.m. to 9 p.m. The holder of such a license may exercise this additional privilege in any year in which a supplementary license fee of \$75 has been paid prior to October 1 for each day the additional privilege is to be exercised.

The board may issue a supplemental license no more than two times during any calendar year to a holder of a Class D beer, wine, and liquor license authorizing the holder to sell alcoholic beverages between the hours of 6 a.m. on Sunday and 1 a.m. the following day. The fee for the supplemental license is \$75 per issuance, which is in addition to the annual fee for the underlying Class D beer, wine, and liquor license. A holder of a supplemental license must notify the board at least two weeks in advance of exercising the privileges under the supplemental license.

Local Fiscal Effect: Baltimore City revenues from alcoholic beverages licensing fees could increase by at least \$18,900 annually beginning in fiscal 2012, as discussed below.

Approximately 95 Class A retail alcoholic beverages licensees are issued special Sunday off-sale license privileges between Thanksgiving and New Year's Day each year. Extending this privilege to two additional Sundays throughout the year could result in an additional \$14,250 in license fee revenue annually (\$75 x 2 Sundays x 95 licensees).

Baltimore City also issued approximately 31 supplemental Sunday licenses to Class D beer, wine, and liquor licensees during fiscal 2010. Authorizing two additional Sundays for these licensees could allow that number to double and result in an additional \$4,650 in revenue (\$75 x 2 Sundays x 31).

In addition, alcoholic beverages license fee revenues would increase by \$550 for each new Class C beer, wine, and liquor license issued in the 45th alcoholic beverages district.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2011
ncs/hlb Revised - Senate Third Reader - March 31, 2011

Analysis by: Guy G. Cherry

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