

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 566 (Dorchester County Delegation)
Economic Matters

Dorchester County - Alcoholic Beverages Licenses - Fees

This bill increases licensing fees for specified alcoholic beverages licenses in Dorchester County and authorizes the Dorchester County Board of License Commissioners to charge specified application and transfer fees. The bill also lowers the license fee for Class C beer licenses. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: None.

Local Effect: Dorchester County license fee revenues increase by at least \$10,250 in FY 2026. Dorchester County expenditures are not affected.

Small Business Effect: Potential meaningful impact on small business restaurants, bars, and other alcoholic beverages license holders due to increased fees under the bill.

Analysis

Bill Summary/Current Law: The bill alters specified alcoholic beverages licensing fees in Dorchester County, as detailed in **Exhibit 1**.

Under current law, Dorchester County does not have formal application or transfer fees for alcoholic beverages licenses. *The bill* authorizes the board to charge an application fee for a new license in the amount of (1) \$150 for an application for a Class A, Class B, Class C, or Class D beer and wine license; and (2) \$200 for an application for a Class A, Class B, Class C, or Class D beer, wine, and liquor license. The application fee is nonrefundable whether the license is issued or denied and does not apply to the renewal or transfer of a

license for the same premises. Additionally, the bill authorizes a transfer fee of \$50 per license transfer.

Exhibit 1
Dorchester County Alcoholic Beverages License Fees
Current and Proposed Fees

<u>License Type</u>	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Class A Licenses			
Class A beer	\$200.00	\$250.00	\$50.00
Class A beer and wine	250.00	350.00	100.00
Class B Licenses			
Class B beer and wine	\$300.00	\$350.00	\$50.00
Class B beer, wine, and liquor	1,000.00	1,250.00	250.00
Class B caterer	150.00	200.00	50.00
Class C Licenses			
Class C beer	\$250.00	\$150.00	(\$100.00)
Class C beer and wine	150.00	250.00	100.00
Class C beer (per diem)	15.00	25.00	10.00
Class C beer and wine (per diem)	15.00	25.00	10.00
Class C beer, wine, and liquor (per diem)	25.00	35.00	10.00
Class D Licenses			
Class D beer and wine	\$275.00	\$350.00	\$75.00

Source: Department of Legislative Services

Local Revenues: In fiscal 2024, at least 66 businesses in Dorchester County held a license that will have increased fees under this bill. If every one of those businesses is to renew their license for fiscal 2026 and every year thereafter, the county will see an increase of at least \$10,250 in increased license fee revenues.

Small Business Effect: The bill may have a potential meaningful impact on small business restaurants, bars, and other alcoholic beverages license holders due to increased fees specified under the bill.

Additional Information

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

Designated Cross File:SB 869 (Senator Mautz) - Finance.

Information Source(s): Alcohol, Tobacco, and Cannabis Commission;
Dorchester County; Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2025
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