

DG Written Testimony_SB1046.pdf

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401
ANNE ARUNDEL COUNTY DELEGATION

Testimony in Support of SB1046 - Anne Arundel County - Alcoholic Beverages - Fees

Madame Chair, Madame Vice Chair, and Fellow Members of the Senate Finance Committee:

SB1046 would authorize the Anne Arundel County Board of License Commissioners to increase by 35% the:

- (1) annual, supplementary, and other alcoholic beverages fees for specified licenses and permits in Anne Arundel County;
- (2) fee for specified license transfers; and
- (3) renewal application fees for all alcoholic beverages licenses.

This bill is needed because of increased costs for Anne Arundel County Liquor Board services and staff.

Per the Fiscal Note, SB1046 would not have a state budget impact. The bill would increase County revenues by approximately \$323,776 beginning in FY2025.

For these reasons, I respectfully request a favorable report on SB1046.

Sponsor Amendment_SB1046.pdf

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SB1046/873826/1

AMENDMENTS
PREPARED
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DEPT. OF LEGISLATIVE
SERVICES

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BY: Senator Gile
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 1046
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Fees**” and substitute “**License Fees and Technical Corrections**”; in lines 3 and 5, in each instance, strike “and permit”; in line 4, after “County;” insert “clarifying that the holder of a gift basket license may purchase alcoholic beverages from a retail dealer;”; in line 11, strike “11-1006.1(a);”; strike beginning with “11-1103(a),” in line 12 down through “11-1308(a),” in line 13; in line 22, strike “11-1006.1(h)” and substitute “11-1006.1”; strike beginning with “11-1102,” in line 23 down through “11-1308(e)” in line 24 and substitute “11-1305 through 11-1308”; in line 25, after the first comma insert “and”; and in the same line, strike “, 11-1703, and 11-1802”.

AMENDMENT NO. 2

On page 5, in lines 13 and 14, in each instance, strike “permit” and substitute “**LICENSE**”; and after line 13, insert:

- “(b) (1) The Board may issue the [permit] LICENSE to a person:
- (i) whose primary business is the sale and delivery of flowers;
 - (ii) whose business includes the sale and delivery of gift baskets of flowers, food, or other items; and
 - (iii) who does not hold any other alcoholic beverages license or permit under this article.

(2) The Board may not issue the [permit] LICENSE for use in conjunction with or on the premises of a chain store, supermarket, or discount house.

(c) A holder of the [permit] LICENSE:

(1) may sell and deliver, to consumers of a legal drinking age located in the county, gift baskets containing:

(i) not more than 72 ounces of beer;

(ii) not more than 2.25 liters of wine; or

(iii) not more than 2.25 liters of liquor; and

(2) shall maintain records and submit reports as required by the Board.

(d) (1) Subject to paragraph (2) of this subsection, the [permit] LICENSE holder or an employee of the [permit] LICENSE holder shall:

(i) deliver the gift basket containing alcoholic beverages; and

(ii) require the person receiving a delivery of a gift basket containing alcoholic beverages to display proof that the person is at least 21 years old.

(2) An individual who delivers a gift basket containing alcoholic beverages shall be at least 21 years old.

(e) The holder's annual sales from alcoholic beverages may not exceed 10% of the holder's annual gross sales.

(f) [The alcoholic beverages contained in a gift basket shall be purchased from a retail license holder.] NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HOLDER OF THE LICENSE MAY PURCHASE ALCOHOLIC BEVERAGES FROM A RETAIL DEALER.

(g) The Board shall adopt regulations to carry out this section.”.

On pages 6 through 10, strike in their entirety the lines beginning with line 15 on page 6 through line 23 on page 10, inclusive, and substitute:

“11-1305.

(a) There is a Class WS wine sampling [license] PERMIT.

(b) The Board may issue the [license] PERMIT to a nonprofit organization.

(c) (1) The [license] PERMIT authorizes the on-premises consumption of wine for sampling:

(i) on premises for which a Class B beer and wine or beer, wine, and liquor license has been issued, with the consent of the holder of the license for the premises; or

(ii) at a location that is not already licensed.

(2) The [license] PERMIT holder may bring wine onto the Class B licensed premises for sampling.

(d) The nonprofit organization shall apply for the [license] PERMIT at least 15 days before the [license] PERMIT is issued.

(Over)

(e) The Board may issue not more than 12 [licenses] PERMITS in a license year to a single nonprofit organization.

(f) The [license] PERMIT holder may serve a quantity of not more than 2 ounces from each offering to an individual.

(g) The [license] PERMIT fee is \$15 per day.

11-1306.

(a) There is a Class WT wine tasting [license] PERMIT.

(b) The Board may issue the [license] PERMIT to a holder of a Class BW license or Class BWL license.

(c) The [license] PERMIT authorizes the [license] PERMIT holder to allow on-premises consumption for tasting of light wine.

(d) The [license] PERMIT holder may serve a quantity of not more than 1 ounce from each offering to an individual.

(e) The annual [license] PERMIT fee is:

(1) \$50 for a holder of a Class BW license; and

(2) \$150 for a holder of a Class BWL license.

11-1307.

(a) There is a BWT beer and wine tasting [license] PERMIT.

(b) The Board may issue the [license] PERMIT to a holder of a Class A beer, wine, and liquor license or Class A beer and wine license.

(c) The [license] PERMIT authorizes a [license] PERMIT holder to allow on-premises consumption of beer and light wine for tasting.

(d) The [license] PERMIT holder may serve to an individual:

(1) light wine in a quantity of not more than 1 ounce from each offering;
and

(2) beer in a quantity of not more than 3 ounces.

(e) In addition to the Class A annual LICENSE fee, the annual [license] PERMIT fee is \$150.

11-1308.

(a) There is a BWLT beer, wine, and liquor tasting [license] PERMIT.

(b) The Board may issue the [license] PERMIT to a holder of a Class A beer, wine, and liquor license or Class A beer and wine license.

(c) The [license] PERMIT authorizes a [license] PERMIT holder to allow on-premises consumption of beer, light wine, and liquor for tasting.

(d) The [license] PERMIT holder may serve to an individual:

(1) liquor in a quantity of not more than one-half ounce each from any of five offerings per day;

(Over)

(2) light wine in a quantity of not more than 1 ounce from each offering;
and

(3) beer in a quantity of not more than 3 ounces.

(e) In addition to the Class A annual LICENSE fee, the annual [license] PERMIT fee is \$500.”.

On page 11, strike in their entirety lines 9 through 14, inclusive.

Senate Bill 1046.pdf

Uploaded by: Wayne Wayne

Position: FAV

Senate Bill 1046 - ANNUAL LICENSE FEES

- * Proposal: Increase annual license fees to boost revenues by 35%. Fees have only been raised
Once in the last 30 years, and that was 15 years ago, 2009 HB 1304.
- * Current revenue: \$925,075 from annual license fees.
- * Financial impact: Addition of \$323,776.
- * New total revenue: \$1,248,851.

Rationale:

- * Addressing rising personnel and data support.
- * Ongoing Costs and Inflation.
- * Technology Advancements related expenses.
- * Current expenses for personnel: \$956,300.
- * Funding for enhanced services and oversight.
- * Ensuring financial sustainability and adequate staffing.
- * Licensee Outreach and Benefits. Including information/training seminars to all licensees free of charge and additional training for all inspectors to improve inspector interaction with licensees.
- * The proposed increase will place the Anne Arundel County Liquor Board's aggregate license fees at just over 1% of the median range in comparison to all other Maryland counties' aggregate License fees.
- * Please see attached chart reflecting the proposed 35% increase.

35% Increase Comparison

	Anne Arundel	City of Annap	Baltimore	Baltimore City	Calvert	Caroline	Carroll	Cecil	Charles	Dorchester	Frederick	Garratt	Harford	Howard	Kent	Montgomery	Prince Georges	Queen Anne's	Somerset	Talbot	Washington	Wicomico	Worcester
Class A (BWA)	\$ 1,626.00	\$ 1,280.00	\$ 900.00	\$ 858.00	\$ 1,000.00	\$ 1,250.00	\$ 1,000.00	\$ 750.00	\$ 1,320.00	\$ 2,500.00	\$ 650.00	\$ 980.00	\$ 700.00	\$ 1,750.00	\$ 910.00	\$ 910.00	\$ 910.00	\$ 2,000.00	\$ 5,000.00	\$ 2,000.00	\$ 600.00	\$ 4,400.00	\$ 4,500.00
Class B (BWA)	\$ 1,458.00	\$ 1,380.00	\$ 1,500.00	\$ 1,100.00	\$ 2,250.00	\$ 1,000.00	\$ 1,500.00	\$ 750.00	\$ 450.00	\$ 1,000.00	\$ 3,500.00	\$ 1,500.00	\$ 3,000.00	\$ 1,000.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00	\$ 1,800.00	\$ 1,250.00	\$ 1,500.00	\$ 750.00	\$ 1,500.00	\$ 1,750.00
Class C (BWA)	\$ 648.00	\$ 2,380.00	\$ 1,000.00	\$ 550.00	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 500.00	\$ 350.00	\$ 1,000.00	\$ 600.00	\$ 1,500.00	\$ 1,000.00	\$ 250.00	\$ 500.00	\$ 1,440.00	\$ 245.00	\$ 500.00	\$ 316.00	\$ 800.00	\$ 1,000.00	\$ 500.00	\$ 500.00
Class D (BWA)	\$ 1,458.00	\$ 3,090.00	\$ 1,500.00	\$ 825.00	\$ 2,250.00	\$ 1,250.00	\$ 1,750.00	\$ 750.00	\$ 630.00	\$ 1,500.00	\$ 600.00	\$ 2,250.00	\$ 3,000.00	\$ 800.00	\$ 1,500.00	\$ 3,000.00	\$ 660.00	\$ 1,800.00	\$ 1,265.00	\$ 2,500.00	\$ 750.00	\$ 2,200.00	\$ 3,500.00

