

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 733
Economic Matters

(Baltimore City Delegation)

Finance

Baltimore City - Alcoholic Beverages - Licensing Fees

This bill authorizes the Baltimore City Board of License Commissioners to (1) increase annual, supplementary, and other alcoholic beverages licensing fees for specified licenses in Baltimore City; (2) set *per diem* and annual licensing fees for specified licenses; and (3) increase, from \$50 to \$78, renewal application fees for all alcoholic beverages licenses. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City licensing and fee revenues may increase by \$823,200 beginning in FY 2025, and annually thereafter. Baltimore City 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 increases specified alcoholic beverages licensing fees in Baltimore City, as detailed in **Exhibit 1**.

The bill requires the board to set *per diem* license fees for specified licenses, which are currently established in statute, and to set annual license fees for a Class BWLT beer, wine, and liquor (on premises) tasting license, as specified. Currently, the annual fees for a Class BWLT beer, wine, and liquor (on premises) tasting license are \$200 for a

26-day tasting license; \$300 for a 52-day tasting license, and \$750 for a tasting license that may be used daily throughout the year.

Supplementary license fees, and other license fees, are increased from \$75 to \$120 for specified licenses under the bill.

Exhibit 1
Baltimore City 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 and light wine	\$110.00	\$171.00	\$61.00
Class A beer, wine, and liquor	858.00	2,060.00	1,202.00
Class A-2 beer, wine, and liquor (packaged goods)	858.00	2,060.00	1,202.00
Class A-7 beer, wine, and liquor	1,500.00	2,336.00	836.00
Class B Licenses			
Class B beer and light wine	165.00	310.00	145.00
Class B beer, wine, and liquor (200 seats or less)	1,320.00	2,060.00	740.00
Class B beer, wine, and liquor (more than 200 seats)	1,800.00	2,060.00	260.00
Class B-D-7 beer, wine, and liquor	1,320.00	2,336.00	1,016.00
Class B-BWL (H-M)	6,500.00	10,108.00	3,608.00
Class C Licenses			
Class C beer and light wine	82.50	128.00	45.50
Class C beer, wine, and liquor	550.00	860.00	310.00
Class D Licenses			
Class D beer	150.00	300.00	150.00
Class D beer and light wine	165.00	260.00	95.00
Class D beer, wine, and liquor	825.00	1,284.00	459.00
Other Licenses			
Arena	12,000.00	21,780.00	9,780.00
Class BWL-MZ (zoo in Druid Hill Park)	500.00	778.00	278.00
Class BWL-VLC (video lottery concessionaire)	5,000.00	7,500.00	2,500.00
Class BWL-VLF (video lottery facility)	15,000.00	17,500.00	2,500.00
Class M-G beer, wine, and liquor	600.00	936.00	336.00
Marketplace (40th and 43rd alcoholic beverages districts)	6,000.00	8,580.00	2,580.00
Racetrack (per diem)	55.00	100.00	45.00

Source: Department of Legislative Services

Local Revenues: Baltimore City estimates the increase in existing alcoholic beverages licensing and related fees under the bill will increase city revenues by approximately \$823,200 beginning in fiscal 2025.

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.

Cross File: None.

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

Fiscal Note History: First Reader - February 12, 2024
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Analysis by: Joanne E. Tetlow

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