

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 308 (Calvert County Delegation)

Economic Matters

Referred to Economic and Environmental Affairs

**Alcoholic Beverages - Calvert County, Somerset County, and St. Mary's County
(Pub-Brewery and Micro-Breweries)**

This amended bill authorizes the State Comptroller to issue a Class 6 pub-brewery license in Calvert, St. Mary's, and Somerset counties. The holder of a pub-brewery license in St. Mary's County may sell malt beverages for off-premises consumption in sealed refillable containers. However, the holder may not sell malt beverages to any retail alcoholic beverages licensee in the State for the purpose of a subsequent sale or distribution of the malt beverage under the retail license.

In addition, a Class 7 micro-brewery (on- and off-sale) license may be issued in Calvert County.

Fiscal Summary

State Effect: \$3,690 general fund revenue increase in FY 1997 due to the issuance of pub-brewery licenses. Out-year revenues reflect the fees for pub-brewery licenses and a micro-brewery license.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$3,690	\$2,820	\$2,120	\$2,120	\$2,120
GF Expenditures	0	0	0	0	0
Net Effect	\$3,690	\$2,820	\$2,120	\$2,120	\$2,120

Note: () - decrease; GF - general funds

Local Effect: None.

Fiscal Analysis

State Revenues: In fiscal 1997 Fiscal Services assumes that only pub-brewery licenses

would be issued. Beginning in fiscal 1998, it is expected that the pub-brewery licenses and a micro-brewery license would be issued simultaneously in Calvert County. Accordingly, general fund revenues would increase by \$3,690 in fiscal 1997 due to the issuance of three Class 6 pub-brewery licenses. Each license would generate an annual license fee of \$500, an initial issuance fee of \$200, and a renewal fee of \$30. Because license fees are renewable May 1 annually, the State would collect six license fees in fiscal 1997. As a result, general fund revenues would increase by \$3,690 in fiscal 1997 due to the six license fees, the issuance fees, and the renewal fees.

A Class 7 micro-brewery license would probably not be issued in Calvert County until fiscal 1998. This license would generate the same \$1,230 in fees as the Class 6 pub-brewery license. Accordingly, general fund revenues would increase by \$2,820 in fiscal 1998 reflecting the fees for pub-brewery licenses and a micro-brewery license. This amount includes five license fees, the initial issuance fee for the micro-brewery license, and four renewal fees. Out-year revenues would increase by \$2,120 annually reflecting the four annual license fees and renewal fees.

Information Source(s): Office of the Comptroller, Calvert County, Department of Fiscal Services

Fiscal Note History: First Reader - February 1, 1996

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