

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 362 (Delegate Minnick)
(Baltimore County Administration)
Economic Matters Referred to Economic and Environmental Affairs

Baltimore County - Alcoholic Beverages (Bottle Clubs)

This enrolled bill prohibits “bottle clubs” in Baltimore County from serving or allowing alcoholic beverages to be consumed after legal closing hours. Violators are subject to a fine not exceeding \$10,000 and/or imprisonment not exceeding two years. The bill is effective July 1, 1997.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues and expenditures due to the bill’s penalty provisions.

Local Effect: Potential minimal increase in revenues and expenditures due to the bill’s penalty provisions.

Small Business Effect: Potential minimal effect on small businesses as discussed below.

Fiscal Analysis

State Revenues: General fund revenues could increase under the bill’s monetary penalty provision for those cases heard in the District Court, depending upon the number of convictions and fines imposed.

State Expenditures: General fund expenditures could increase as a result of the bill’s incarceration penalty due to more people being committed to a Division of Correction (DOC) facility and increased payments to counties for reimbursement of inmate costs, depending upon the number of convictions and sentences imposed.

Persons serving a sentence longer than one year are incarcerated in a DOC facility. In fiscal 1998 the average monthly cost per inmate is estimated at \$1,500.

Persons serving a sentence of one year or less are sentenced to a local detention facility. The State reimburses counties for part of their per diem rate after a person has served 90 days. The State per diem reimbursement for fiscal 1998 in Baltimore County is estimated to be \$19 per inmate.

Local Revenues: Revenues could increase under the bill's monetary penalty provision for those cases heard in the circuit courts, depending upon the number of convictions and fines imposed.

Local Expenditures: Expenditures could increase as a result of the bill's incarceration penalty depending upon the number of convictions and sentences imposed. Baltimore County pays the full cost of incarceration for people in its facilities for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs for the Baltimore County detention facility is expected to be \$38 per inmate in fiscal 1998.

The Baltimore County Board of License Commissioners could monitor bottle clubs with existing resources.

Small Business Effect: According to Baltimore County, there are two bottle clubs in the county, and both of whom would probably be small businesses. The bill prohibits bottle clubs from serving or allowing alcoholic beverages to be consumed on their premises. As a result, the bottle clubs would be impacted through a loss in revenues and less exposure for their clubs.

To the extent that a bottle club violates the bill's provisions, its operations could be impacted due to monetary penalties.

Information Source(s): Baltimore County, Department of Fiscal Services

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