

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

Senate Bill 913 (Senator Della)  
Economic and Environmental Affairs

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**Baltimore County - Alcoholic Beverages (Out-of-State Licensees)**

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This bill prohibits the Baltimore County Board of License Commissioners from issuing Class A or D alcoholic beverages licenses to applicants who hold alcoholic beverages licenses in other states or Washington, D.C., except by way of renewal.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Potential minimal effect on Baltimore County revenues as discussed below. No effect on expenditures.

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

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**Fiscal Analysis**

**Local Revenues:** In 1996 Baltimore County collected approximately \$665,500 in alcoholic beverages license fees on 751 licenses. Of the total, Class A and Class D licenses accounted for 377 licenses. The bill's prohibition could restrict the number of new licensees in the county, thus limiting potential increases in license fee revenues. The number of out-of-state licensees is unknown. However, Baltimore County would continue to receive license fees for existing licensees that renew their licenses.

**Small Business Effect:** The Baltimore County Board of License Commissioners issued 377 Class A and Class D alcoholic beverages licenses in 1996. Of these, the vast majority were issued to small businesses. The bill prohibits the issuance of Class A and Class D licenses to entities that hold alcoholic beverages licenses in other states or Washington, D.C., except by way of renewal. The number of such licensees is unknown. To the extent that the

prohibition keeps small businesses from entering the retail alcoholic beverages industry in Maryland, small business licensees could be negatively impacted. However, existing licensees could benefit by less competition. The bill also allows out-of-state holders of existing Class A and Class D licenses to renew their licenses; thus, they would continue to benefit from the sale of alcoholic beverages.

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

**Fiscal Note History:** First Reader - March 19, 1997

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