

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 445 (Senator Hafer)

Economic and Environmental Affairs

Referred to Economic Matters

Garrett County - Alcoholic Beverages (Bed and Breakfast Licenses)

This amended bill creates a seven-day special Class B (bed and breakfast) on-sale beer, wine, and liquor license in Garrett County. To qualify, an establishment must (1) be registered by the county to operate as a bed and breakfast establishment; (2) have rooms for sleeping accommodations; and (3) not have dining facilities open to the general public. The annual license fees are: (1) \$25, one to five bedrooms; (2) \$50, six to ten bedrooms; and (3) \$75, 11 or more bedrooms. In addition, the Liquor Control Board may charge an issuing fee equal to the annual license fee.

Fiscal Summary

State Effect: None.

Local Effect: Garrett County revenues could increase by \$200 in FY 1998 for three licenses. No effect on expenditures.

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

Fiscal Analysis

Local Revenues: Currently, there are nine bed and breakfast establishments in Garrett County, and three of whom have expressed an interest in obtaining a special Class B beer, wine, and liquor license. Of the three establishments, two would fall into the \$25 license fee category (one to five bedrooms) and one would be in the \$50 category (six to ten bedrooms).

As a result, revenues would increase by \$200 in fiscal 1998 due to the license fees and one-time issuance fees, and future revenues would increase by \$100 annually reflecting only the license fees.

Small Business Effect: There are nine bed and breakfast establishments in Garrett County.

Although the number of establishments that are small businesses is unknown, a vast majority would fall into that category. The bill allows these establishments to obtain a special seven-day Class B beer, wine, and liquor license. A licensee may sell alcoholic beverages to guests for consumption on the premises. If a bed and breakfast establishment gets a license, its operations would be impacted through the sale of alcoholic beverages. Its costs would also increase due to the annual license fee and one-time issuing fee. However, the increase is minimal (no more than \$150 in the first year and \$75 annually thereafter).

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

Fiscal Note History: First Reader - February 18, 1997

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