

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 326 (Howard County Delegation)
(Request of Board of License Commissioners)

Economic Matters

Howard County - Alcoholic Beverages (Golf Course License)
Ho. Co. 3-97

This bill creates a 7-day Class GC (golf course) beer, wine, and liquor license in Howard County. A golf course must have a minimum of 18 holes to be eligible to receive the license. The annual license fee is \$1,500. The board of license commissioners may impose conditions on the location of sales and consumption. The board may also restrict the sale of alcoholic beverages to beer and light wine if the board feels it is warranted. A holder of a Class GC license may sell alcoholic beverages from 11 a.m. to 2 a.m. the next day, Monday through Sunday.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal revenue increase for Howard County as discussed below. No effect on expenditures.

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

Fiscal Analysis

Local Revenues: There are six golf courses in Howard County that have alcoholic beverages licenses. The licenses and their license fees are: one Class C beer, wine, and liquor license (\$1,500); three Class B beer, wine, and liquor licenses (\$1,000); and two Class B beer and wine licenses (\$175). The bill creates a new Class GC license with a \$1,500 fee. It is expected that the six existing licensees would be allowed to continue with their current licenses, and that all new applicants would be issued Class GC licenses. Thus, revenues

would increase depending upon the number of new licenses issued by the board of license commissioners. The increase would also depend upon the difference in fees between the applicable licenses now available and the Class GC license. For example, a new applicant could now receive a Class B beer and wine license with a \$175 fee. With the new Class GC license, it is expected that the applicant could only receive a Class GC license with a \$1,500 fee. Thus, revenues would increase by \$1,325 for each license issued.

Small Business Effect: Currently, there are six golf courses in Howard County that have alcoholic beverages licenses. As mentioned above, there are three different types of licenses issued to the golf courses, with different license fees. The bill creates a Class GC beer, wine, and liquor license to be issued to golf courses. The vast majority of privately-owned golf courses are small businesses. It is expected that existing golf course licensees would be allowed to continue with their current licenses; thus, their operations would not be impacted. It is further expected that any new golf course licenses would only be Class GC licenses. New small business golf courses would benefit from the sale of alcoholic beverages. However, these courses, excluding country clubs, would also experience an increase in costs due to the higher license fee (\$1,500) than which is currently available.

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

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