

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 102 (Senator Baker)
Economic and Environmental Affairs

Cecil County - Alcoholic Beverages - Golf Course Licenses

This bill creates a Class GC (golf course) beer, wine, and liquor on-sale license in Cecil County. To qualify, a golf course must have at least 18 holes and must be run for profit by an organization or country club that owns real estate in the county. Class GC licensed premises are not subject to the requirement that they be a certain distance from hospitals, houses of worship, and schools nor do they count against the total number of liquor licenses the Cecil County Board of License Commissioners may issue. The annual licensing fee is \$2,000.

The bill is effective June 1, 2000.

Fiscal Summary

State Effect: The bill would not directly affect governmental operations or finances.

Local Effect: Cecil County revenues could increase by up to \$4,350 in FY 2001, due to new licensing and application fees. The Cecil County Board of License Commissioners could monitor licensees with existing resources.

Small Business Effect: Minimal.

Analysis

Current Law: Eighteen-hole golf courses may acquire seven-day beer, wine, and liquor on-sale club licenses at an annual licensing cost of \$2,000. However, only club members and their guests may be served. Club licenses are also subject to county limitations on the number that may be issued, and the licensed premises must be a certain distance from schools, houses of worship, and hospitals.

Background: Over the past three years, legislation has been enacted providing for special golf course licenses in at least four Maryland counties: Worcester, Washington, Howard, and Harford. The provisions of those bills are similar to the provisions in the proposed bill.

Local Revenues: There are three golf courses in Cecil County that would be eligible to receive a Class GC license, and it is expected that the owners of all three would apply. Two of the golf courses currently have seven-day club licenses which generate the same \$2,000 annual licensing fee that the new Class GC license would provide. The third golf course has a Class B license, generating \$1,250 in revenues annually. If this course was to upgrade to a Class GC license, a \$750 increase in county revenues would result. To become reclassified for a GC license, each of the golf courses would have to submit an application and the accompanying \$400 fee. Assuming that all three golf courses apply for and receive Class GC licenses, Cecil County revenues would increase by a total of \$1,950 in fiscal 2001. The out-years would reflect only the additional \$750 in licensing fee revenues that the third golf course would generate.

In addition, one new golf course is expected to open in Cecil County in 2000. Assuming that the owner would apply for and receive a Class GC license, county revenues would increase by an additional \$2,400 in fiscal 2001 and by \$2,000 in each year thereafter. Two future Cecil County golf courses are currently in the planning stages.

Small Business Effect: The proposed Class GC license would relieve golf courses of the restrictions that other licenses impose, and this could have positive or negative impacts on small businesses. Golf course restaurants with a GC license would be permitted to serve individuals who are not members of the golf or country club, thereby creating additional competition for existing small restaurants. Cecil County limits the number of licenses that can be held, and the reclassification of licenses currently held by golf courses would open up new licensing slots that could be filled by small businesses. Finally, the new license may encourage more golf courses to be built in Cecil County, bringing additional business into the county.

Additional Information

Prior Introductions: None pertaining to Cecil County though similar bills for Worcester County (HB 524 in 1999), Washington County (HB 703 of 1998), Howard County (HB 326 of 1997), and Harford County (HB 1222 of 1997) were enacted during the last three years.

Cross File: None.

Information Source(s): Cecil County, Department of Legislative Services

Fiscal Note History: First Reader - January 24, 2000
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