

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

House Bill 415 (Delegate Arnick)

Economic Matters

Economic and Environmental Affairs

Alcoholic Beverages - Licenses - Issuance and Transfer

This bill requires a local board of license commissioners, before approving an application and issuing an alcoholic beverages license, to consider: (1) the public need and desire for the license; (2) the number and location of existing licensees and the potential effect on existing licensees of the license applied for; (3) the potential commonality or uniqueness of the services and products offered by the applicant's business; (4) the impact on the general health, safety, and welfare of the community including issues relating to crime, traffic conditions, parking, or convenience; and (5) any other necessary factors as determined by the board. The bill does not apply in Baltimore City and Harford and St. Mary's counties.

Fiscal Summary

State Effect: None.

Local Effect: The effect on local expenditures would vary from county to county depending on each local board of license commissioners' level of expertise and knowledge and the extent to which the requirements of the bill are already followed. For example, Prince George's and Montgomery counties advise that the bill would not have a significant fiscal or operational impact. However, Charles County advises that county expenditures could increase by approximately \$80,000 for additional staff with technical expertise and for anticipated increases in litigation costs.

Small Business Effect: Potential meaningful.

Analysis

Current Law: An applicant for an alcoholic beverages license or a transfer of an existing license must be denied if the local board of license commissioners determines that: (1) the granting of the license is not necessary for the accommodation of the public; (2) the applicant is not fit to receive the license for which the application is made; (3) the applicant has made a material false statement in the application; (4) the applicant has practiced fraud in connection with the application; (5) the operation of the establishment will disturb the peace of the residents of the neighborhood where the license will be located; and (6) there are other reasons in the discretion of the board why the license should not be issued.

Small Business Effect: To the extent that a local board of license commissioners limits the number of new and transfer of existing alcoholic beverages licenses, small business owners could be materially affected. Existing small business owners wishing to acquire an alcoholic beverages license may face additional obstacles in doing so.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City; Charles, Montgomery, and Prince George's counties; Department of Legislative Services

Fiscal Note History: First Reader – March 1, 2001
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