

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

Revised

House Bill 808 (Montgomery County Delegation)

Economic Matters

Economic and Environmental Affairs

**Montgomery County - Alcoholic Beverages - Class B License Fees
MC 104-01**

This emergency bill increases the annual licensing fee in Montgomery County for a Class B beer, wine, and liquor license and a special Class B-BWL (H-M) beer, wine, and liquor license from \$2,000 to \$2,500.

The bill sunsets four years after it becomes effective.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County revenues would decrease by \$158,000 annually beginning in FY 2001 if this legislation is not enacted.

Small Business Effect: None.

Analysis

Current Law: The annual fee for a Class B beer, wine, and liquor license and a Class B-BWL (H-M) beer, wine, and liquor license in Montgomery County is \$2,000 effective October 1, 2000. There is no application fee for the license.

Background: In 1989 the fee for a Class B beer, wine, and liquor license and a Class B-BWL (H-M) beer, wine, and liquor license in Montgomery County was raised from \$2,000 to \$2,500 to help fund alcoholic beverage enforcement activities with a sunset

provision of September 30, 1991. Extensions of the sunset provision were enacted in 1991, 1994, and 1997. On October 1, 2000, the renewal fee for Class B licenses in Montgomery County reverted back to \$2,000. Montgomery County issues licenses for May through April in March of each year with new licenses prorated by quarter.

Local Revenues: Montgomery County estimates 316 Class B beer, wine, and liquor licenses and Class B-BWL beer, wine, and liquor licenses are issued each year: 298 Class B beer, wine, and liquor licenses and 18 Class B-BWL (H-M) beer, wine, and liquor licenses. Accordingly, Montgomery County revenues will decrease by \$158,000 annually beginning in fiscal 2001 if the fee remains at \$2,000. If the fee is raised to \$2,500, revenues will stay the same.

Local Expenditures: Local expenditures will not be directly affected by the bill. However, a reduction in revenues may restrict alcoholic beverage enforcement activities.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader – February 22, 2001
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