

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

House Bill 1138
Economic Matters

(Harford County Delegation)

Education, Health, and Environmental
Affairs

Harford County - Wine, Beer, and Other Alcoholic Beverages - Tasting and
Sampling

This bill authorizes the Harford County Board of Liquor Control to issue CWBT and WBT tasting and sampling licenses with 26-day and 365-day privileges. The bill also codifies that Class A1 beer, wine, and liquor licensees are eligible to obtain a CWBT tasting and sampling license and that Class A beer and wine licensees are eligible to obtain a WBT tasting and sampling license. The bill also provides that the new licenses and fees take effect for the licensing period beginning May 1, 2004.

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues could decrease by approximately \$1,750 annually. Expenditures would not be affected.

Small Business Effect: Minimal.

Analysis

Bill Summary: Exhibit 1 shows the proposed fees for existing and new CWBT and WBT tasting and sampling licenses for fiscal 2004 in Harford County. The bill requires that any licensee that is issued a CWBT or WBT license of any type must notify the Liquor Control Board at least seven days prior to exercising the privileges of the tasting and sampling license.

Current Law: The Harford County Liquor Control Board is authorized to issue a CWBT (cordial, wine, and beer tasting and sampling) license to holders of a beer, wine, and liquor license and a WBT (wine and beer tasting and sampling) license to holders of a beer and wine license. The CWBT license permits the on-premises consumption of cordials, wine, beer, and liquor for tasting or sampling purposes only. The WBT license permits the on-premises consumption of wine and beer for tasting or sampling purposes only. Each tasting and sampling license is effective for 52 calendar days each year and the licensee is required to notify the Harford County Liquor Control Board at least seven days prior to the tasting and sampling event. Exhibit 1 shows the current fees in fiscal 2003 for existing CWBT and WBT tasting and sampling licenses in Harford County.

Background: Harford County advises that holders of a Class A1 beer, wine, and liquor license are the only licensees eligible to obtain a CWBT license and that holders of a Class A beer and wine license are the only licensees eligible to obtain a WBT tasting and sampling license. CWBT and WBT tasting and sampling licenses may be issued at any time during the year.

Local Fiscal Effect: Harford County advises that the county issued 16 CWBT licenses and no WBT licenses in fiscal 2003. Accordingly, the issuance of 16 CWBT tasting and sampling licenses in fiscal 2003 generated \$5,600 in revenue. It is assumed that absent this bill Harford County would continue to generate \$5,600 in tasting and sampling license revenues annually from the issuance of 16 CWBT 52-day licenses.

Harford County advises that it anticipates that existing CWBT licensees will purchase four CWBT licenses with 365-day privileges, two CWBT licenses with 26-day privileges, and ten CWBT licenses with 52-day privileges. For illustrative purposes only, based on Harford County estimates for the licensing period beginning on May 1, 2004, the county would issue four CWBT 365-day licenses, ten CWBT 52-day licenses, and two CWBT 26-day licenses. Accordingly, Harford County revenues could decrease by approximately \$1,750 annually as shown in Exhibit 1. Monitoring of the tasting and sampling licenses could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 14, 2003
lc/jr

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Exhibit 1

Current and Proposed Fees for Tasting and Sampling Licenses in Harford County

License Class	License Type	Current License Fee in FY 2003	Proposed License Fee Beginning in FY 2004	Estimated Number of Licenses Issued in FY 2004	Potential Tasting & Sampling Revenue in FY 2004
Class CWBT	26-day	n/a	\$125	2	\$250
Class CWBT	52-day	\$350	\$200	10	\$2,000
Class CWBT	365-day	n/a	\$400	4	\$1,600
Class WBT	26-day	n/a	\$100	0	\$0
Class WBT	52-day	\$100	\$150	0	\$0
Class WBT	365-day	n/a	\$225	0	\$0
Subtotal					\$3,850
FY 2003 Tasting and Sampling License Revenue					\$5,600
Net Change in License Revenues					-\$1,750

Note: Fiscal 2003 license revenue is \$5,600 (16 CWBT 52-day licenses at \$350 each).

Note: CWBT = cordial, wine, and beer tasting and sampling.

Note: WBT = wine and beer tasting and sampling.