HB 560

# Department of Legislative Services

Maryland General Assembly 2004 Session

## FISCAL AND POLICY NOTE

House Bill 560 Economic Matters (Montgomery County Delegation)

Education, Health, and Environmental Affairs

## Montgomery County - Special Class C Beer License and Special Class C Beer and Wine License – Fee MC 401-04

This bill increases from \$15 to \$30 the daily license fee in Montgomery County for a special Class C beer license and a special Class C beer and wine license.

The bill takes effect June 1, 2004.

## **Fiscal Summary**

State Effect: None.

**Local Effect:** Montgomery County revenues would increase by \$15 for each special Class C beer or special Class C beer and wine license issued. County expenditures would not be affected.

Small Business Effect: Minimal.

## Analysis

**Current Law:** The daily license fee for a special Class C beer or special Class C beer and wine license in Montgomery County is \$15. Generally, a special Class C beer or special Class C beer and wine license authorizes the licensee to exercise any of the privileges conferred by the respective class of licenses for the use of any person holding

any bona fide entertainment conducted by any club, society, or association at the place described in the license for up to seven days from the effective date of the license.

There is no uniformity among the local jurisdictions as to the fees and regulations for special Class C beer and special Class C beer and wine licenses. Most jurisdictions are authorized to issue a special Class C beer or special Class C beer and wine license to clubs, organizations, societies, or associations for a period of one to seven days, with most daily fees ranging from \$10 to \$50.

Although authorized to issue special Class C beer and special Class C beer and wine licenses for multiple days, Montgomery County issues a separate license for each day.

**Background:** The fee for a special Class C beer license and a special Class C beer and wine license in Montgomery County was last increased in fiscal 1985 when the daily fee was increased from \$5 to \$15 (Chapter 232 of 1984). Montgomery County advises that 266 special Class C beer licenses and special Class C beer and wine licenses were issued in fiscal 2003. Montgomery County further advises that approximately 27 of these were for special Class C beer licenses and approximately 239 were for special Class C beer and wine licenses.

**Local Fiscal Effect:** Montgomery County revenues would increase by approximately \$330 beginning in fiscal 2004 assuming 22 special Class C beer and special Class C beer and wine licenses are issued after the bill's effective date of June 1, 2004. Annualized revenue increases of approximately \$3,990 would be realized beginning in fiscal 2005 assuming 266 special Class C beer and special Class C beer and wine licenses are issued. There is no application fee for the license.

## **Additional Information**

Prior Introductions: None.

Cross File: None.

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

**Fiscal Note History:** First Reader - February 11, 2004 n/ljm

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