

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

Senate Bill 229

(Harford County Senators)

Education, Health, and Environmental Affairs

Economic Matters

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

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This bill authorizes, in Harford County, Class A1 beer, wine, and liquor licensees to apply to the Board of Liquor Control for cordial, wine, and beer tasting or sampling (CWBT) licenses with 26-day and 365-day privileges. The bill also authorizes Class A beer and wine licensees to apply to the Board of Liquor Control for a wine and beer tasting or sampling (WBT) license. The bill provides that the new licenses and fees take effect for the licensing period beginning May 1, 2005.

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**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.

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**Analysis**

**Bill Summary:** Exhibit 1 shows the proposed fees for existing and new CWBT and WBT licenses for fiscal 2005 in Harford County. The bill requires that any licensee who is issued a CWBT or WBT license with 26-day or 52-day privileges must notify the Liquor Control Board at least seven days prior to holding the tasting or sampling event.

**Current Law:** The Harford County Liquor Control Board is authorized to issue a CWBT license to holders of a beer, wine, and liquor license and a WBT 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 up to 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 or sampling event. **Exhibit 1** shows the current fees in fiscal 2004 for existing CWBT and WBT 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 holders of a Class A beer and wine license are the only licensees eligible to obtain a WBT license. CWBT and WBT 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 2004. Accordingly, the issuance of 16 CWBT tasting and sampling licenses in fiscal 2004 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 all 16 existing CWBT licensees will continue to be licensed, but only 10 licensees will retain the existing 52-day privileges. Four will prefer full-year privileges, and the other two will prefer 26-day privileges. For illustrative purposes only, based on Harford County estimates for the licensing period beginning on May 1, 2005, the county would issue 4 CWBT 365-day licenses, 10 CWBT 52-day licenses, and 2 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.

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### **Additional Information**

**Prior Introductions:** This bill was introduced at the 2003 session as HB 1138. The bill received a favorable report by the Senate Education, Health, and Environmental Affairs Committee, but was not returned to the House.

**Cross File:** HB 334 (Harford County Delegation) – Economic Matters.

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

**Fiscal Note History:** First Reader - February 17, 2004  
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**Exhibit 1**

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

<b>License Class</b>	<b>License Type</b>	<b>Current License Fee in FY 2004</b>	<b>Proposed License Fee Beginning in FY 2005</b>	<b>Estimated Number of Licenses Issued in FY 2005</b>	<b>Potential Tasting &amp; Sampling Revenue in FY 2005</b>
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
<b>Subtotal</b>					<b>\$3,850</b>
FY 2004 Tasting and Sampling License Revenue					\$5,600
<b>Net Change in License Revenues</b>					<b>-\$1,750</b>

Note: Fiscal 2004 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.

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