

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

House Bill 435

(Montgomery County Delegation)

Economic Matters

Education, Health, and Environmental  
Affairs

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Montgomery County - Alcoholic Beverages - Extension of Sunset  
MC 503-05

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This emergency bill extends the expiration date for Class B beer, wine, and liquor license fees and special Class B-BWL (H-M) license fees from April 10, 2005 to July 1, 2010.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Montgomery County license fee revenues of \$190,000 annually would continue beyond April 10, 2005.

**Small Business Effect:** None.

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Analysis

**Current Law:** The license fees of \$2,500 for a Class B beer, wine, and liquor license and Class B-BWL (H-M) beer, wine, and liquor license in Montgomery County will revert to \$2,000 on April 10, 2005.

**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. The legislation had 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. Chapter 91 of 2001 reinstated the \$2,500 fee but with a sunset provision in four years.

**Local Fiscal Effect:** Montgomery County advises that 380 Class B beer, wine, and liquor licenses are issued each year. Accordingly, Montgomery County revenues will decrease by \$190,000 annually beginning in fiscal 2006 if the license fee reverts back to \$2,000. If the expiration date is extended, then revenues will remain the same. While local expenditures are not directly affected by this bill, a reduction in revenues may restrict alcoholic beverage enforcement activities.

**Additional Comments:** Legislative Service advises that, if the bill is signed later than April 9, 2005, or passes by less than a three-fifths majority in both chambers, there would be a period during which the license fee reverts to \$2,000.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 2, 2005  
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