

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 425

(Senator Lawlah, *et al.*)

Education, Health, and Environmental Affairs

Economic Matters

Prince George's County - Alcoholic Beverages - Part-Time Inspectors and Class
B-MB/22 Licenses

This bill authorizes the Prince George's County Board of License Commissioners to issue a Class B-MB/22 alcoholic beverages license to a holder of a State Class 7 micro-brewery license in the 22nd legislative district, for an annual license fee of \$990. The holder of such a license may sell liquor by the drink for on-premises consumption only. Unless otherwise prohibited, a holder of a Class B-MB/22 license is also permitted to hold a Class D license.

The bill also increases the number of part-time alcoholic beverages inspectors in Prince George's County from 29 to 32.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County annual license fee revenues would increase by \$990, as well as by \$700 for a one-time application fee, for each Class B-MB/22 license issued as a result of this authority. Prince George's county personnel-related expenditures would increase by \$25,600 in FY 2006 to compensate the three additional part-time inspectors.

Small Business Effect: Minimal overall, but potential meaningful for a holder of a Class 7 micro-brewery license located in the area specified in the bill.

Analysis

Current Law: The Prince George's County Board of License Commissioners is not authorized to issue a Class B-MB/22 license.

A Class 7 micro-brewery license may be issued by the State Comptroller in 16 jurisdictions – Allegany, Anne Arundel, Baltimore, Calvert, Carroll, Charles, Dorchester, Frederick, Garrett, Harford, Howard, Montgomery, Prince George's, and Talbot counties, as well as the cities of Baltimore and Annapolis. In Prince George's County, a Class 7 license may only be issued to a Class B licensee located in one of the permitted jurisdictions and to an existing Class D licensee located in the 22nd Alcoholic Beverages District of Prince George's County.

A holder of a Class 7 license with on-sale privilege may sell for on-premises consumption up to 4,000 barrels of beer brewed under the license each year. In 15 jurisdictions – Anne Arundel, Baltimore, Calvert, Carroll, Charles, Dorchester, Frederick, Garrett, Harford, Howard, Montgomery, Prince George's, and Talbot counties, as well as the City of Baltimore and the City of Annapolis – a Class 7 licensee may sell to customers beer brewed under the license in refillable containers sealed at the brewery for off-premises consumption.

The Prince George's County Board of License Commissioners is authorized to appoint 3 full-time and 29 part-time alcoholic beverages inspectors, all of whom must be county residents. Inspectors have all the powers of a peace officer, a constable, or sheriff. Furthermore, each part-time inspector must receive an annual salary of at least \$9,976.

Local Fiscal Effect: Prince George's County advises that there is currently one Class 7 micro-brewery license located in the area specified in the bill. As such, fiscal 2006 license fee revenues would increase by \$1,690 for the annual license fee (\$990) and one-time application fee (\$700). In subsequent years, license fee revenues would increase by \$990.

Prince George's County advises that part-time alcoholic beverages inspectors earn \$10.92 per hour. Assuming that each of the new inspectors works 20 hours per week, annual personnel expenditures would increase by \$11,357 for each new inspector or \$34,071 annually for all three. Given the October 1 effective date of this bill, fiscal 2006 personnel expenditures would increase by \$25,553. Prince George's County advises that, while the part-time inspectors do not receive a car or firearms, they are reimbursed for mileage. The precise expenditures for mileage reimbursement cannot be reliably quantified, as it would depend on how much each inspector travels. In any event, the

county advises that any operational expenses associated with three additional part-time inspectors should be minimal and absorbable within existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Department of Legislative Services

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