

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

House Bill 121
Economic Matters

(Delegate Elmore)

Education, Health, and Environmental
Affairs

Somerset County - Alcoholic Beverages - License Fees

This bill increases license fees for the sale of alcoholic beverages in Somerset County.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: None.

Local Effect: Somerset County revenues could increase by \$4,300 annually. County expenditures would not be affected.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law: The bill increases license fees for the sale of alcoholic beverages by 15%, as detailed in **Exhibit 1:**

Exhibit 1
Increase in Somerset County Licensing Fees

<u>License</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Beer:		
Class A – 6 days	\$110.00	\$126.00
Class A – 7 days	137.50	158.00
Class B	220.00	253.00
Class C	27.50	32.00
Class D	220.00	253.00
Wine:		
Class A light wine	55.00	63.00
Beer and Wine:		
Class A – 6 days	165.00	190.00
Class A – 7 days	192.50	221.00
Class B	220.00	253.00
Class C	38.50	45.00
Class D	220.00	253.00
Beer, Wine, and Liquor:		
Class B	1,100.00	1,265.00
Class C	275.00	316.00
Class D	1,100.00	1,265.00
Special License:		
Initial 2-days	55.00	63.00
Each additional day	27.50	32.00
Wine Festival	16.50	19.00

Background: Chapter 302 of 2006 increased alcoholic beverages licensing fees by 10%, instituted a new license processing fee, and authorized a new category of licensure in Somerset County. Additional changes were made that modified the license application process and increased salaries for the Board of License Commissioners.

Local Fiscal Effect: This bill represents an effort by the Somerset County Board of License Commissioners to phase in increases to alcoholic beverage licensing fees. The cumulative effect of revenue changes authorized in 2006 legislation was estimated at \$5,905. Added to actual fiscal 2006 receipts of \$23,065, Somerset County licensing revenue could total \$28,970 in fiscal 2007.

This bill increases licensing fees by an additional 15%. Assuming that each of the county's 44 licensees renews its license under the new fee structure, Somerset County revenues could increase by \$4,345 in fiscal 2008, resulting in total revenues of \$33,315.

Additional Information

Prior Introductions: None.

Cross File: SB 201 (Senator Stoltzfus) – Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - February 9, 2007
ncs/hlb

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