

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

House Bill 62

(Delegate Eckardt, *et al.*)

Economic Matters

Education, Health, and Environmental Affairs

Dorchester County - Alcoholic Beverages - Class D License

This bill authorizes a Class D (on-sale) beer, wine, and liquor license to be issued in Dorchester County. The license, valid for seven days, would be available for a fee of \$1,500.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: None.

Local Effect: Minimal increase in Dorchester County revenues from license fees for new applicants. Additional administrative and enforcement activity could be handled with existing resources.

Small Business Effect: Potential increase in revenue for new license holders.

Analysis

Current Law: Dorchester County currently issues a Class D beer license, which allows the holder of the license to sell beer at retail to be consumed on the premises or elsewhere. The annual fee is \$250.

Dorchester County also issues a Class D beer and light wine license, which allows the holder of the license to sell beer and light wines at retail to be consumed on the premises or elsewhere. The annual fee is \$275.

A Class D beer, wine, and liquor license authorizes the holder to sell all alcoholic beverages for consumption on the premises or elsewhere. Eighteen jurisdictions have authorized issuance of this license, not including Dorchester County.

Background: Dorchester County currently issues a Class B beer, wine, and liquor license, which allows restaurants and hotels that serve at least two full-course meals per day to sell beer, wine, and liquor. This license applies only to establishments with seating capacity for 75 or more persons. As of April 30, 2006, Dorchester County had licensed 23 establishments in this category.

The addition of the Class D beer, wine, and liquor license would allow Dorchester County to license establishments that do not meet the minimum seating capacity required under the Class B beer, wine, and liquor license.

Local Fiscal Effect: Dorchester County estimates that six to eight establishments would apply for the Class D beer, wine, and liquor license, generating revenue between \$9,000 and \$12,000. Additional administrative and enforcement activity could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: SB 452 (Senator Colburn) – Education, Health, and Environmental Affairs.

Information Source(s): Dorchester County, Comptroller of Maryland, Department of Legislative Services

Fiscal Note History: First Reader - February 7, 2007
ncs/hlb

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