

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

Senate Bill 292

(Senator Edwards)

Education, Health, and Environmental Affairs

Economic Matters

Garrett County - Alcoholic Beverages - Referendum on Sunday Sales in County Districts

This bill authorizes Sunday sales of specified alcoholic beverages in election districts of Garrett County in which voters approve a local referendum in favor of Sunday sales. The referendum must take place at the November 2008 general election and the Garrett County Board of Elections must carry out all duties necessary to provide for and hold the referendum.

The bill takes effect July 1, 2008 for the purpose of providing for the referendum. If the referendum passes in any election district, the bill's provisions are effective December 15, 2008 in that district.

Fiscal Summary

State Effect: None.

Local Effect: Garrett County revenues could increase by \$12,500 in FY 2009 and by \$6,250 annually thereafter if Sunday sales of alcoholic beverages are approved in all election districts and all eligible establishments chose to participate.

Small Business Effect: Potential meaningful. Sunday sales of beer and wine could result in increased sales and profits for eligible establishments.

Analysis

Bill Summary: Election districts that would participate in the November 2008 referendum include districts 1, 2, 3-1, 3-2, 4, 5, 6, 7, 8-1, 8-2, 9, 10, 12, 13, 14-1, 14-2, and 16.

Current Law: In Garrett County, Sunday sales of alcoholic beverages are authorized only in election districts 11 and 15. The Sunday sales option has a one-time \$250 issuing fee and a \$250 annual fee.

Background: Chapter 470 of 1996 approved the placement of a question on the ballot at the November 1996 general election for the voters of Garrett County to authorize holders of Class C service club licenses and Class B licenses in their election districts to sell alcoholic beverages on Sundays from 1 p.m. to 10 p.m. Garrett County voters in election districts 11 and 15 approved the sale of alcoholic beverages in their election districts by Class C service club licensees and Class B licensees.

Chapter 130 of 2003 authorized, in election districts 11 and 15, holders of special 2-day Class C licenses, special 6-day Class C licenses, and special 12-day Class C licenses to sell alcoholic beverages from 1 p.m. to 10 p.m. on Sundays. Chapter 130 also clarified that a holder of a Class B license or a Class C service club license that wants to provide Sunday sales must pay a one-time issuing fee of \$250 and an annual license fee of \$250.

There are 19 election districts in Garrett County.

There are four types of special Class C licenses in Garrett County. A special 2-day Class C license with a fee of \$50, a special 6-day Class C license with a fee of \$150, a special 12-day Class C license with a fee of \$300, and a special multiple event Class C license with varying fees depending on the number of events. Sale of beer; beer and wine; or beer, wine, and liquor may be conferred by each of the four special Class C licenses.

Local Fiscal Effect: Garrett County advises that if the referendum passed in all election districts and all eligible establishments chose to sell alcoholic beverages, county revenues could increase by \$12,500 in fiscal 2009 from both the issuing and annual license fees. Revenues could increase by \$6,250 in future years from annual license fees. The estimate is based on 25 eligible establishments paying a one-time \$250 issuing fee and a \$250 annual fee in fiscal 2009 and a \$250 annual fee in subsequent years.

Additional Information

Prior Introductions: None.

Cross File: HB 276 (Delegate Beitzel) – Economic Matters.

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

Fiscal Note History: First Reader - February 7, 2008
ncs/hlb

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