# **Department of Legislative Services**

Maryland General Assembly 2008 Session

#### FISCAL AND POLICY NOTE

House Bill 1347 Economic Matters (Queen Anne's County Delegation)

#### Queen Anne's County - Alcoholic Beverages - Licenses - Board of License Commissioners

This bill increases the fees of certain alcoholic beverages licenses in Queen Anne's County. The bill also increases the annual compensation for the chairman and members of the Board of License Commissioners and alters restrictions on the issuance of a license in proximity to a school, place of worship, library, or youth center in the county.

The bill takes effect July 1, 2008.

### **Fiscal Summary**

State Effect: None.

**Local Effect:** Queen Anne's County revenues from alcoholic beverages licenses could increase by \$29,800 annually beginning in FY 2009. County expenditures for board salaries could increase by \$9,300 annually.

**Small Business Effect:** Meaningful impact on alcoholic beverage licensees and potential alcoholic beverage license applicants.

### Analysis

**Bill Summary:** The bill increases the annual license fee for certain alcoholic beverages licenses as shown in **Exhibit 1**. The fees for single-day licenses are also increased from \$5 to \$25 for a special Class C beer license, from \$10 to \$50 for a special Class C beer and light wine license, and from \$15 to \$75 for a special Class C beer, wine, and liquor license.

## Exhibit 1 Queen Anne's County Alcoholic Beverages Licenses

| <u>License</u>               | Current<br>Annual<br><u>License Fee</u> | HB 1347<br><u>License Fee</u> | License<br>Fee Increase | Number of<br><u>Licenses</u> |
|------------------------------|---|-------------------------------|-------------------------|------------------------------|
| Class A Beer, Wine, & Liquor | \$2,000                                 | \$2,000                       | \$0                     | 17                           |
| Class B Beer, Wine, & Liquor | 1,000                                   | 1,500                         | 500                     | 30                           |
| Class C Beer, Wine, & Liquor | 500                                     | 750                           | 250                     | 11                           |
| Class D Beer, Wine, & Liquor | 1,800                                   | 1,800                         | 0                       | 9                            |
| Class A Beer & Light Wine    | 500                                     | 1,000                         | 500                     | 7                            |
| Class B Beer & Light Wine    | 500                                     | 1,000                         | 500                     | 9                            |
| Class D Beer & Light Wine    | 500                                     | 1,000                         | 500                     | 0                            |
| Class A Beer                 | 250                                     | 500                           | 250                     | 2                            |
| Class B Beer                 | 250                                     | 500                           | 250                     | 4                            |
| Class C Beer                 | 50                                      | 100                           | 50                      | 1                            |
| Class D Beer                 | 250                                     | 500                           | 250                     | 0                            |
|                              |   |                               |                         |                              |

The bill increases the minimum salary for the chairman and members of the Queen Anne's County Board of License Commissioners to \$3,000 for the chairman and \$2,500 for each regular member.

Current restrictions in Queen Anne's County on the distance that an alcoholic beverages licensee may be located to a school, place of worship, library, or youth center are altered, specifying that the distance is measured from the nearest point of the proposed licensed premises.

**Current Law:** The annual compensation for the chairman and members of the Queen Anne's County Board of License Commissioners are determined by the county commissioners. The rate for the chairman must not be less than \$65 per meeting and the rate for each regular member must not be less than \$60 per meeting.

In Queen Anne's County an alcoholic beverages licensee may not be located closer than 500 feet from a school, place of worship, public library, or youth center. The distance restriction for a Class B (on-sale) hotel and restaurant is 250 feet. The distance restriction is measured from the nearest point of the building of the establishment for which a license is proposed.

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**Local Revenues:** Queen Anne's County revenues from alcoholic beverages licenses could increase by \$29,800 from increased license fees beginning in fiscal 2009. This estimate includes an additional \$27,300 collected from alcoholic beverages licensees and an additional \$2,500 from single-day licenses issued. This estimate assumes that the number of licenses is maintained at current levels.

**Local Expenditures:** Queen Anne's County expenditures could increase by \$9,340 annually from increased salary paid to the chairman and regular members of the Board of License Commissioners. Annual compensation for the chairman would increase from \$780 to \$3,000. Annual compensation for each of the four regular board members would increase from \$720 to \$2,500. This estimate assumes that the annual number of meetings (12) would remain constant in future years.

**Small Business Effect:** The increase in license fees would adversely affect alcoholic beverages licensees and applicants for alcoholic beverages licenses. Altering the method which the distance from a school, place of worship, library, or youth center may prohibit some businesses from obtaining an alcoholic beverages licenses. Current license holders would not be affected.

# **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** Queen Anne's County, Department of Legislative Services

**Fiscal Note History:** First Reader - February 15, 2008 mcp/hlb

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