

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 198
Economic Matters

(Delegate Elmore)

Education, Health, and Environmental
Affairs

Somerset County - Alcoholic Beverages - Licenses, Fees, and Fines

This bill increases from \$2,000 to \$4,000 the maximum fine that the Somerset County Board of License Commissioners can impose for any violation of alcoholic beverage laws affecting the county. Additionally, the bill alters the fee that the board may charge for issuing a special beer, beer and light wine, or beer, wine, and liquor license, by specifying that the \$63 fee is valid for only one day, rather than two. The bill clarifies that in Somerset County, beer and light wine licenses authorize a licensee to sell beer or light wine for consumption either on the premises or elsewhere.

The bill takes effect June 1, 2008.

Fiscal Summary

State Effect: None.

Local Effect: Somerset County revenues could increase by \$20,000 annually from the penalty provision. County expenditures would not be affected.

Small Business Effect: Minimal.

Analysis

Current Law: A Class D license issued by the relevant county issuing authority authorizes the licensee to sell beer and light wines at retail for consumption either on or

off the premises. In Somerset County the annual license fee for a Class D license is \$253.

In Somerset County the Board of License Commissioners may grant special licenses that entitle the holder to exercise any of the privileges conferred by the respective class of license. The fee for a special beer; beer and light wine; or beer, wine, and liquor license is \$63 for an initial two-day period, after which fee for each additional day is \$32.

In Somerset County the Board of License Commissioners may impose a fine of not more than \$2,000, or suspend a license, or both, for any violation that is cause for suspension under the alcoholic beverage laws affecting Somerset County.

Local Revenues: The bill doubles the fine, from \$2,000 to \$4,000 that the board of license commissioners may assess for any violation of the alcoholic beverage laws affecting Somerset County. In 2007, there were a total of 10 retail license violations. Assuming this number of violations remains steady in 2008, the amount collected by the board would double from \$20,000 to \$40,000. This estimate does not however, encompass nonretail license violations, and therefore could underestimate the revenue increase.

The bill also alters the fee for issuance of a special beer and light wine license, by reducing the period of initial validity from two days to one. In 2007, Somerset County only issued one special beer and light wine license and advises that it expects only one such special license to be issued in 2008. This special license is typically issued for a particular event lasting three days. Therefore, revenues should increase by \$32 for the three day event.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 13, 2008
ncs/hlb

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