

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 624
Economic Matters

(Allegany County Delegation)
Education, Health, and Environmental Affairs

Allegany County - Alcoholic Beverages - Volunteer Company License

This bill establishes a Class C (volunteer company) beer, wine, and liquor license in Allegany County. The license may be issued to a volunteer fire company, volunteer ambulance company, or a combined volunteer fire and ambulance company. License holders may keep and sell all alcoholic beverages for consumption on or off the premises. Patrons of a club for which a license is issued can include individuals other than members of the company and their guests. The annual license fee is \$500.

The bill renames Class C beer, wine, and liquor licenses other than the one created by this bill as Class C (general) licenses.

The bill takes effect June 1, 2009.

Fiscal Summary

State Effect: None.

Local Effect: Allegany County license fee revenues may increase by \$8,900 in FY 2010 and by \$8,000 annually thereafter if all 23 of the county's volunteer companies obtain the new license. County expenditures are not affected.

Small Business Effect: None.

Analysis

Current Law: In general, counties are authorized to issue Class C beer, wine, and liquor licenses to clubs. Counties may specify restrictions on the license, including the types of

clubs eligible for the license, the extent to which nonmembers may partake of alcoholic beverages provided under the license, and whether the license authorizes the licensee to provide alcoholic beverages that are consumed off the premises.

Local Fiscal Effect: Allegany County advises that seven of the county's 23 volunteer fire and ambulance companies already have a Class C license, which allows the companies to serve alcoholic beverages to members and their guests only. The seven licensed companies will have to apply for a Class C (volunteer company) license if they wish to serve alcoholic beverages to other individuals. Since licenses expire in May and the bill takes effect in June, it is assumed that volunteer companies will apply for the new license beginning in May 2010. If all 23 companies apply, Allegany County revenues will increase by \$8,920 in fiscal 2010 from license fees paid by the 16 previously unlicensed volunteer companies and the \$40 application fee, which will be paid by all 23 applicants. Since the application fee will not be imposed in future years, county revenues increase by \$8,000 annually thereafter.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 19, 2009

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