

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 37

(Senators Colburn and Pipkin)

Education, Health, and Environmental Affairs

Economic Matters

Caroline County - Alcoholic Beverages - Special Multiple Event Licenses

This bill authorizes the Caroline County Board of License Commissioners to issue special multiple event alcoholic beverages licenses valid for up to 40 events per year. The bill also sets fees for the licenses and imposes administrative requirements for obtaining a special multiple event license.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal increase in Caroline County licensing revenue due to the increase in the maximum license fee under the bill. Caroline County expenditures increase by \$8,300 annually for additional alcoholic beverages inspectors.

Small Business Effect: None.

Analysis

Bill Summary: The bill sets a sliding fee schedule for a special multiple event license based on the number of events held per year. Licensees are not entitled to refunds if they hold fewer than the maximum number of events authorized by their licenses in a calendar year. The board of license commissioners issues a license for one location to the same applicant for all events covered by the license. The board may approve a substitute applicant following a hearing. For purposes of calculating event limits, each day of a multiple day event during which alcoholic beverages are served counts as one event

under the license. A server currently certified as having completed an alcohol awareness program must be present at a location that holds a special multiple event license whenever alcoholic beverages are being served under the license.

Current Law: Other than manufacturer's and wholesaler's licenses, the Caroline County Board of License Commissioners may grant special licenses of any class to a club, society, or association for a bona fide entertainment event held or conducted by the organization. An applicant may obtain up to 12 special licenses per calendar year at a cost of \$50 per license.

Local Fiscal Effect: Currently, an applicant pays \$50 for each special license with a statutory maximum of 12 events per calendar year, resulting in a maximum fee of \$600 per applicant. The maximum fee under the bill is \$1,000 for up to 40 events per calendar year, an increase of \$400. Also, given that the bill increases the maximum number of events a qualified organization may hold from 12 to 40, the county may require additional inspectors. Caroline County advises that the bill would likely necessitate the hiring of a contractual part-time inspector at a cost of approximately \$8,300 per year to ensure that licensees are fully complying with alcoholic beverages laws.

The bill also results in an indirect benefit to the county by potentially increasing the availability and quality of local services. Local civic groups (*e.g.*, volunteer fire companies) hold fundraisers that utilize special licenses. Since the bill authorizes these groups to hold more events, these groups could generate more revenue, thereby increasing services to county residents.

Additional Information

Prior Introductions: None.

Cross File: HB 46 (Delegate Sossi) - Economic Matters.

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

Fiscal Note History: First Reader - January 22, 2009
mlm/mwc Revised - Senate Third Reader - March 27, 2009

Analysis by: Amy A. Devadas

Direct Inquiries to:
(410) 946-5510
(301) 970-5510