

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 548

(Senator Astle, *et al.*)

Education, Health, and Environmental Affairs

Economic Matters

Anne Arundel County - Alcoholic Beverages Licenses - Fees

This bill increases specified one-day alcoholic beverages licensing fees in Anne Arundel County and authorizes the board of license commissioners to charge a late fee for renewal applications filed after April 1. The board of license commissioners also may charge a \$200 fee and publication costs to a corporation or club holding an alcoholic beverages license when a majority of the names on a license are changed or a majority interest in the licensed entity is transferred.

Fiscal Summary

State Effect: None.

Local Effect: Anne Arundel County revenues from licensing fees increase by \$36,000 in FY 2011 and by \$48,000 annually beginning in FY 2012. Expenditures are not affected.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law: A special Class C beer or beer and wine license entitles the holder to exercise certain privileges for entertainment conducted by any club, society, or association, for a period not to exceed seven consecutive days. The license fee under current law is \$10 per day. This bill increases the fee to \$25 per day.

A special Class C beer, wine, and liquor license entitles licensees to purchase beer from a wholesaler. The license fee under current law is \$25 per day. This bill increases the fee to \$50 per day.

Subject to specified conditions, a corporation or club holding an alcoholic beverages license, during any license year, may substitute the name of one of its officers for the name of any other officer on the license if the deleted licensee has died, retired, moved from the county, or no longer has a financial interest in the corporation or club. On approval of the board of license commissioners and payment of any necessary costs and fees, a new license must be issued with the correct names on it.

Local Fiscal Effect: As shown in **Exhibit 1**, Anne Arundel County licensing fee revenues increase by \$36,000 in fiscal 2011, which accounts for the bill's effective date, and by \$48,000 annually beginning in fiscal 2012 due to the increase in fees for daily licenses.

Exhibit 1
Increase in Anne Arundel County Licensing Fees

<u>License</u>	<u>Number of Current Licenses</u>	<u>Current Fee</u>	<u>Proposed Fee</u>	<u>Revenue Increase</u>
Class C for entertainment conducted by club, society, or association (per day)	1,200	\$10	\$25	\$18,000
Class C for ability to purchase beer from a wholesaler (per day)	1,200	\$25	\$50	\$30,000

The board of license commissioners currently charge a late fee for renewal applications and a fee and publication costs when it has to change a majority of names on a license or if a majority interest in the licensed entity is transferred. Because these provisions codify existing practice, there is no fiscal impact on the county.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 24, 2010
ncs/hlb

Analysis by: Jennifer K. Botts

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