

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

House Bill 535

(Montgomery County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

**Montgomery County - Town of Kensington - Off-Sale Beer and Light Wine
Licenses
MC 9-11**

This bill authorizes the Montgomery County Board of License Commissioners to issue a maximum of three Class A (off-sale) beer and light wine licenses for use in specified commercial areas within the Town of Kensington. The annual license fee is \$250.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County revenues increase by \$2,700 in FY 2012 and by \$1,050 annually beginning in FY 2013, assuming that the maximum number of licenses is issued. County expenditures are not affected.

Small Business Effect: Potential meaningful for a restaurant that is able to obtain a license in the specified area.

Analysis

Bill Summary: A Class A beer and light wine license authorizes the holder to sell beer or light wine for off-premises consumption seven days a week, from 10 a.m. to 8 p.m. daily. A holder of a Class A beer and light wine license may not (1) sell single bottles or cans of beer; (2) sell refrigerated products; or (3) on a side, door, or window of the building of the licensed premises, place a sign or other display that advertises alcoholic beverages in a publicly visible location.

Current Law: With some exceptions, the Montgomery County Board of License Commissioners may not issue an alcoholic beverages license in the Town of Kensington. There are 12 areas specified where the board may issue a special B-K beer and wine license or a special B-K beer, wine, and liquor license for use at a restaurant in the Town of Kensington. Special B-K licenses allow for on-premises consumption only.

Local Fiscal Effect: Each license application will result in a one-time application fee of \$663 in addition to the \$250 annual license fee. Assuming that the maximum number of licenses is issued within the first year, Montgomery County revenues increase by \$2,739 in fiscal 2012 and by \$1,050 annually beginning in fiscal 2013. This represents the \$250 annual license fee and an annual \$100 renewal fee. Monitoring of the additional licenses can be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 24, 2011
mc/hlb Revised - House Third Reader - March 22, 2011

Analysis by: Scott P. Gates

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