

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 137  
Economic Matters

(Charles County Delegation)

Education, Health, and Environmental Affairs

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Charles County - Alcoholic Beverages - License Fees

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This bill increases the annual license fees for various alcoholic beverages licenses in Charles County. The bill also establishes additional annual fees that apply when a license holder provides live entertainment or outdoor seating under Class C, D, and H on-sale licenses.

The bill takes effect July 1, 2015.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Charles County revenues increase by approximately \$33,400 annually beginning in FY 2016 due to the annual fee increases and additional fees assessed. Expenditures are not directly affected.

**Small Business Effect:** Minimal overall, but potential meaningful for small businesses that are required to pay additional fees.

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Analysis

**Bill Summary/Current Law:**

*Annual License Fees*

The bill increases license fees for the sale of alcoholic beverages in Charles County as shown in **Exhibit 1**.

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**Exhibit 1**  
**Increase in Charles County Alcoholic Beverage License Fees**

<u>License Class</u>	<u>Allowed Beverages</u>	<u>Current License Fee</u>	<u>Proposed License Fee</u>
Class A	beer, wine, and liquor	\$480	\$960
Class C	beer, wine, and liquor	\$300	\$350
Class D on-sale/off-sale	beer	\$180	\$240
Class D on-sale/off-sale	beer and light wine	\$240	\$340
Class D on-sale/off-sale	beer, wine, and liquor	\$1,140	\$1,320
Class D off-sale liquor and on-sale/off-sale beer and wine	beer, wine, and liquor	\$720	\$1,020
Class H (hotel) on-sale	beer and light wine	\$240	\$340
Special Class C <sup>1</sup>	beer, wine, and liquor	\$15 per day	\$25 per day
Special Class D <sup>2</sup>	beer	\$25	\$45

<sup>1</sup>May only be issued to a club, society, or association.

<sup>2</sup>May only be issued to a bona fide religious, fraternal, civic, veterans', hospital, or charitable organization.

Source: Department of Legislative Services

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*Annual Fees for Providing Live Entertainment or Outdoor Table Service*

The bill also establishes additional annual fees that apply when license holders provide live entertainment or outdoor table service in Charles County under Class C, D, and H on-sale licenses. Both fees are \$200; thus, a licensee that provides both live entertainment and outdoor table service pays \$400. These are the same fees that exist in statute for establishments that provide live entertainment or outdoor table service under various Class B licenses. Although the existing \$200 fees for live entertainment and outdoor table service for Class B licenses took effect July 1, 2014, the county advises that those fees have not yet been charged. The county intends to begin assessing these fees as of July 1, 2015.

**Background:** Charles County advises that, in fiscal 2014, there were 26 Class A beer, wine, and liquor licenses; 12 Class C beer, wine, and liquor licenses; 1 Class D beer license; 2 Class D beer and wine licenses; a total of 66 Class D beer, wine, and liquor licenses; and 9 Class H licenses in effect.

**Local Revenues:** Based on data provided by Charles County, county revenues increase by approximately \$27,800 due to the increases in the annual license fees and by approximately \$5,600 due to the assessment of additional annual fees that apply to licensees that provide live entertainment and/or outdoor table service.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office, Charles County, Department of Legislative Services

**Fiscal Note History:** First Reader - February 19, 2015  
md/lgc Revised - House Third Reader - March 25, 2015

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