

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 1135

(Washington County Senators)

Education, Health, and Environmental Affairs

Economic Matters

Washington County - Business Licenses - Repeal of Zoning Certification Requirement

This bill repeals a provision that prohibits the Clerk of the Circuit Court for Washington County from issuing a business license for the first time unless the applicant submits to the clerk a certification from specified entities that the location of the business for which the license is sought has proper zoning. A related provision that prohibits the clerk from endorsing a change in the place of a business until the licensee meets the zoning certification requirement for a license issued for the first time is also repealed.

Fiscal Summary

State Effect: The bill does not materially affect State finances or operations.

Local Effect: Washington County revenues decrease by approximately \$11,900 annually. The first-time certification process by the county typically includes a \$65 review fee, and there were 183 new business licenses issued in the county in FY 2015. Expenditures are not affected.

Small Business Effect: Minimal. Businesses in Washington County must continue to comply with all other licensing and zoning requirements in current law – both at the State and local level.

Analysis

Current Law/Background: Generally, an applicant for a general business license (in each county) must submit an application to the clerk of the court, submit a receipt or certificate for certain taxes, and pay the applicable license fee. Licenses are generally effective on May 1 and are effective for one year. If a specific place for doing business is

stated in a license, the licensee may change the place of business only if the clerk endorses the change on the license. There are limited exceptions to these general requirements in individual local jurisdictions.

In Washington County, the Clerk of the Circuit Court may not issue a business license for the first time unless the applicant submits to the clerk a certification that the location of the business for which the license is sought has proper zoning. The certification must be from the county planning commission or, if the business is located in a municipality, from the municipality. There is a similar zoning certification requirement in Calvert County.

Washington County advises that certification by the county includes a review fee of \$65. The Judiciary advises that 183 new licenses were issued in fiscal 2015.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Washington County, Judiciary (Administrative Office of the Courts), State Department of Assessments and Taxation, Department of Legislative Services

Fiscal Note History: First Reader - March 15, 2016
kb/mcr

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