

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 515

(Delegates Rogers and Pruski)

Economic Matters

Finance

Anne Arundel County - Alcoholic Beverages Licenses - Veterans' Organizations

This bill authorizes a holder of a Class C beer, wine, and liquor license in Anne Arundel County that qualifies as a veterans' organization to convert that license to a Class C (veterans' organization) license. The bill reduces, from \$400 to \$300, the annual license fees for Class C (veterans' organization) licenses and authorizes the Anne Arundel County Board of License Commissioners to issue application and administrative fee discounts to specified applicants. The bill also allows the holder of a Class C (veterans' organization) license to operate on Sundays without obtaining a separate Sunday license. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: None. The bill only affects local government operations.

Local Effect: Anne Arundel County revenues decrease by \$2,400 annually beginning in FY 2026. Anne Arundel County expenditures are not affected.

Small Business Effect: None.

Analysis

Bill Summary: The conversion to and issuance of a Class C (veterans' organization) license is considered a license renewal rather than the issuance of a new license.

The board may provide application and administrative fee discounts to an organization that qualifies as a veterans' organization and (1) holds a Class C (veterans' organization) license; (2) applies for an initial or renewal Class C (veterans' organization) license; or

(3) holds a Class C beer, wine, and liquor license that is converted to a Class C (veterans' organization) license.

Sunday sales

In addition to sales Monday through Saturday from 6 a.m. to 2 a.m. the following day, the holder of a Class C (veterans' organization) license may sell beer, wine, and liquor on Sundays from 6 a.m. to 2 a.m. the following day without obtaining a Sunday license.

Current Law: Maryland's 23 counties, Baltimore City, and the City of Annapolis all have boards of license commissioners who issue and enforce retail alcoholic beverages licenses in their jurisdictions. Within each jurisdiction, the most common types of retail licenses are Class A, Class B, Class C, and Class D licenses. Each license authorizes the sale of alcoholic beverages in a different manner. Class C licenses authorize the sale of alcohol to members and guests at a club, for on-site consumption only.

Class C license holders in Anne Arundel County may sell beer, wine, and liquor Monday through Saturday from 6 a.m. to 2 a.m. the following day. They may not sell beer, wine, or liquor after 2 a.m. on Sundays without a Sunday license. The board may issue a Sunday license to a Class C license holder, authorizing the sale of beer, wine, and liquor on Sunday according to the terms of that license.

Class C (veterans' organization) licenses can be issued by the board only to a local unit of a nationwide nonprofit organization or club that (1) is composed only of veterans of the United States Armed Forces; (2) has a charter from a national veterans' organization; (3) has a membership of at least 100 individuals and dues of at least \$5 per year per individual; and (4) operates for its members and meets in a clubhouse principally used by its members.

The annual license fee for a Class C (veterans' organization) license is \$400.

Local Fiscal Effect: The board advises they have not had any applications for a Class C (veterans' organization) license in the last ten years and they anticipate eight existing Class C licenses would convert to Class C (veterans' organization) licenses under the bill. These eight license holders each currently pay an annual license fee of \$480 plus a \$120 Sunday sales permit, totaling \$600 annually. Under the bill, each of the license holders would pay a \$300 annual license fee for a Class C (veterans' organization) license which authorizes Sunday sales. Therefore, beginning fiscal 2026, Anne Arundel County license fee revenues are estimated to decrease by \$2,400 annually.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 17 (Senator Simonaire, *et al.*) - Finance.

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

Fiscal Note History: First Reader - January 30, 2025
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