# **Department of Legislative Services**

Maryland General Assembly 2016 Session

#### FISCAL AND POLICY NOTE First Reader

House Bill 1644 Economic Matters (Delegate West, et al.)

#### **Baltimore County - Alcoholic Beverages - Racetrack License**

This bill repeals the racetrack beer and wine (BW) license in Baltimore County, and alters the license fee for a racetrack beer, wine, and liquor (BWL) license from \$50 for each day that the racing park is open and operating to \$1,000 for each calendar year.

The bill takes effect July 1, 2016.

### **Fiscal Summary**

State Effect: None.

**Local Effect:** Baltimore County revenues decrease by a minimal amount due to the transition from a daily license fee to an annual license fee. Expenditures are not affected.

Small Business Effect: Minimal.

#### Analysis

**Current Law:** The Baltimore County Board of License Commissioners may issue a racetrack BW license or a racetrack BWL license to the owner, concessionaire, or catering organization of a licensed racing establishment. There are no residential or voting qualifications for either license. The racetrack BW and racetrack BWL licenses authorize a holder to sell beer and wine, or beer, wine, and liquor, as appropriate under the respective license, at one or more locations on the premises of a racing park. The license fee for a racetrack BW license is \$25 for each day that the racing park is open and operating, and the license fee for a racetrack BWL license is \$50 for each day that the racing park is open and operating.

**Background:** Baltimore County advises that it allows racing parks to apply for multiple single-day licenses and collects license fees for each day alcoholic beverages are sold, but the county does not currently issue an annual license to a racing park. According to the Department of Labor, Licensing, and Regulation, there is only one racing park, operated by the Maryland State Fair and Agricultural Society, in Baltimore County. According to Baltimore County, the Maryland State Fair and Agricultural Society applies for racetrack BWL licenses. No racing parks apply for the racetrack BW license. In fiscal 2015, 769 alcoholic beverages licenses were issued for use in Baltimore County.

**Local Revenues:** Baltimore County advises that, in fiscal 2015, no racetrack BW or racetrack BWL licenses were issued, and thus no revenue was collected. To date, in fiscal 2016, the Maryland State Fair and Agricultural Society has applied for single-day racetrack BWL licenses for 28 days, from March 1, 2016 through March 28, 2016. As a result, revenues in fiscal 2016 to date total \$1,400. *For illustrative purposes only*, assuming that racetrack BWL licenses are issued to one racing park for 28 days annually, transitioning the racetrack BWL license to an annual fee of \$1,000 from the current rate of \$50 per day results in a decrease in Baltimore County revenues of \$400 annually, beginning in fiscal 2017.

## **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** Baltimore County; Department of Labor, Licensing, and Regulation; Department of Legislative Services

**Fiscal Note History:** First Reader - April 6, 2016 min/hlb

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