

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 690 (Garrett County Delegation)
Economic Matters

Garrett County - Alcoholic Beverages - Sunday Sales for Off-Premises
Consumption

This bill authorizes specified Sunday sales of alcoholic beverages for off-premises consumption in an election district or precinct of an election district in Garrett County in which voters approve such sales by local referendum. The referendum must take place at the November 2014 general election.

The bill takes effect July 1, 2014, for the purpose of providing for the referendum. If the referendum is approved in an election district or precinct, the bill's provisions are effective December 15, 2014, in that district or precinct.

Fiscal Summary

State Effect: None.

Local Effect: Under one set of assumptions, Garrett County revenues may increase by approximately \$6,600 in FY 2015 and \$3,750 annually thereafter due to fee collections. Expenditures are not materially affected.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The bill only applies to off-premises sales by (1) a holder of a Class A license; (2) a holder of a Class B license; (3) a holder of a special 2-day Class C license, special 6-day Class C license; or special 12-day Class C license; and (4) a holder of a Class D license. Holders of those licenses may sell alcoholic beverages for consumption

off the licensed premises on a Sunday if the license holder is authorized to sell alcoholic beverages for off-premises consumption for the underlying license. Sunday sales may begin, where authorized, at 1 p.m. and continue until 10 p.m.

A holder of a Class A license, Class B license, or Class D license must pay, in addition to the usual license fee, \$250 for the privilege of Sunday sales. At the time those licenses are issued, the Garrett County Board of License Commissioners must also charge a \$250 issuing fee.

Current Law: In Garrett County, Sunday on-premises sales of alcoholic beverages from 1 p.m. to 10 p.m. are authorized in election districts 11 and 15 and in any other election district or precinct of an election district in which voters approve a local referendum in favor of Sunday on-premises sales. The authorization only applies to (1) a holder of a Class C service club license; (2) a holder of a Class B license, special 2-day Class C license, special 6-day Class C license, or special 12-day Class C license, provided the sales are in conjunction with a meal; or (3) a holder of a Class D license operating an establishment that meets certain conditions.

A holder of a Class C service club license, Class B license, or Class D license must pay, in addition to the usual license fee, \$250 for the privilege of Sunday sales. At the time those licenses are issued, the Garrett County Board of License Commissioners must also charge a \$250 issuing fee.

Local Revenues: Garrett County revenues may increase by approximately \$6,600 in fiscal 2015 and \$3,750 annually thereafter, reflecting issuing fees paid in fiscal 2015 and annual fees paid beginning December 15, 2014 (accounting for a quarterly prorated fee amount in fiscal 2015 – three-fourths of the full fee). This estimate assumes that (1) the referendum is approved in the same election districts and precincts in which Sunday on-premises sales is currently approved (seven districts/precincts) and (2) approximately 15 businesses in those election districts or precincts take advantage of Sunday off-premises sales. Garrett County estimates that if the referendum is approved in all of the election districts or precincts, as many as 30 businesses may take advantage of Sunday off-premises sales.

Small Business Effect: Small businesses may substantially benefit from additional revenue generated from Sunday off-premises sales.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 12, 2014
ncs/lgc

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