



Committee: GO
Committee Review: At a future date
Staff: Christine Wellons, Legislative Attorney
Purpose: To introduce agenda item – no vote expected
Keywords: #Trader’sLicense

AGENDA ITEM #17A
September 15, 2020
Introduction

SUBJECT

Expedited Bill 40-20, Licensing and Regulations – Uniform Trader’s License Fee

Lead Sponsors: Councilmembers Glass and Friedson
Co-Sponsors: Councilmembers Navarro and Rice

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- N/A; Introduction

DESCRIPTION/ISSUE

Expedited Bill 40-20, Licensing and Regulations – Uniform Trader’s License Fee, would select a uniform license fee of \$15 for a trader’s license within the County. This selection is authorized under Section 17-1807.1 of the Business Regulation Article of the Maryland Code.

SUMMARY OF KEY DISCUSSION POINTS

- N/A

This report contains:

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Legislative Request Report	©3

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M E M O R A N D U M

September 10, 2020

TO: County Council

FROM: Christine Wellons, Legislative Attorney

SUBJECT: Expedited Bill 40-20, Licensing and Regulations – Uniform Trader’s License Fee

PURPOSE: Introduction – no Council votes required

Expedited Bill 40-20, Licensing and Regulations – Uniform Trader’s License Fee, sponsored by Lead Sponsors Councilmembers Glass and Friedson and Co-Sponsors Councilmembers Navarro and Rice, is scheduled to be introduced on September 15, 2020.¹ A public hearing is tentatively scheduled for September 22 at 1:30 p.m.

Bill 40-20 would select a uniform trader’s license fee under State law. The license fee would be \$15.

BACKGROUND

In 2019, State law was amended to permit a County to select a uniform trader’s license fee. (Chapters [569/570 of 2019](#)). The trader’s license is required by the State to operate certain retail stores and exhibitors. The fee is collected by the Circuit Court.

Under current law, the amount of the trader’s fee varies between \$15 and \$800, depending upon the value of the trader’s stock-in-trade. (Md. Code Ann., Bus. Reg. § 17-1808). The State and the County share in the fee revenues. (§ 17-206).

Under the bill, the fee would be \$15 for all traders, and the State would keep all revenues from the fee. (Bus. Reg. §§ 17, 206, 17-1808).

¹#Trader’sLicense

BILL SPECIFICS

Under the bill, the County would select a uniform license fee for a trader’s license under Section 17-1807.1 of the Business Regulation Article of the Maryland Code. Pursuant to State law, the uniform trader’s license in the County would be \$15.

The bill would require the Director of Finance to communicate the County’s selection to the State Comptroller and to the State Department of Assessments and Taxation on or before October 1, 2020.

The bill further specifies that, although the selection of a uniform fee is “irrevocable” under State law, the County may revoke the selection if State law changes.

<u>This packet contains:</u>	<u>Circle #</u>
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Expedited Bill No. 40-20
Concerning: Licensing and Regulations –
Uniform Trader’s License Fee
Revised: 09/21/2020 Draft No. 1
Introduced: September 15, 2020
Expires: March 15, 2022
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. , Laws of Mont. Co.

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsors: Councilmembers Glass and Friedson
Co-Sponsors: Councilmembers Navarro and Rice

AN EXPEDITED ACT to:

- (1) select a uniform trader’s license fee under State law; and
- (2) generally amend the law regarding licensing and license fees.

By adding

Montgomery County Code
Chapter 30, Licensing and Regulations Generally
Section 30-13

Boldface	<i>Heading or a defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland, approves the following act:

1 **Sec 1. Section 30-13 is added as follows:**

2 **30-13. Uniform Trader’s License Fee.**

3 (a) The County selects a uniform license fee for a trader’s license under
4 Section 17-1807.1 of the Business Regulation Article of the Maryland
5 Code.

6 (b) The trader’s license in the County must be \$15 under Section 17-
7 1808(b) of the Business Regulation Article of the Maryland Code.

8 **Sec. 2. Expedited Effective Date.** The Council declares that this legislation
9 is necessary for the immediate protection of the public interest. This Act takes effect
10 on the date on which it becomes law.

11 **Sec. 3. Submission of Selection.** On or before October 1, 2020, the Director
12 of Finance or the Director’s designee must notify the State, using a form provided
13 by the State Comptroller and the State Department of Assessments and Taxation, of
14 the County’s selection of a uniform trader’s license fee under this Act.

15 **Sec. 4. Revocability of Selection.** Under Section 17-1801.1 of the Business
16 Regulation Article of the Maryland Code, the selection of a uniform \$15 trader’s
17 license fee is “irrevocable”. However, the County reserves its right to revoke its
18 selection if the State amends Sections 17-1807.1 or Section 17-1808(b) of the
19 Business Regulation Article, including if the State raises the license fee above \$15.

LEGISLATIVE REQUEST REPORT

Expedited Bill 40-20

Licensing and Regulations – Uniform Trader’s License Fee

DESCRIPTION:	Expedited Bill 40-20 would select a uniform trader’s license fee under State law, and generally amend the law regarding licensing and license fees.
PROBLEM:	State law was amended in 2019 to permit a county to select a “uniform” trader’s license fee. The trader’s license fee is issued by the state through the Circuit Court.
GOALS AND OBJECTIVES:	Adopt the uniform licence fee so that a business must pay a flat fee of \$15 to receive a trader’s license.
COORDINATION:	Finance Department
FISCAL IMPACT:	Office of Management and Budget
ECONOMIC IMPACT:	Office of Legislative Oversight
EVALUATION:	
EXPERIENCE ELSEWHERE:	N/A
SOURCE OF INFORMATION:	Christine Wellons, Legislative Attorney
APPLICATION WITHIN MUNICIPALITIES:	N/A
PENALTIES:	N/A