



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 664

PRINTERS NO. 1047

PRIME SPONSOR: Hershey

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	\$0	\$0
Municipal Funds	\$0	See Fiscal Impact

SUMMARY: Amends Title 53 and Title 68 to exempt small businesses run by minors from requirements to get a business license by a municipality or a planned community. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the exemption provisions of Title 53 (Municipalities Generally) to create a new section that prevents municipalities from requiring businesses operated by a minor from needing to get a license to operate.

In order to qualify for the exemption, the business must meet the following criteria:

- 1) Operated by a minor under the age of 18.
- 2) Open for less than 84 days per calendar year.
- 3) Generates less than \$5,000 net per year, unless the money is being used for charitable purposes.
- 4) Located somewhere that it is not in direct competition with a business that is required to get a license.
- 5) Or is located in a primarily residential area or unzoned location.

A municipality may still enact and enforce ordinances that regulate how these businesses are operated but cannot include license requirements.

This legislation also amends Title 68 (Real and Personal Property) to extend the same restrictions to planned communities.

FISCAL IMPACT: This legislation could create a minimal loss of revenue for any municipality that currently charges a minor a fee to obtain a business license to operate a small business. Any estimate of that revenue and the list of municipalities is indeterminable at this point.

This legislation would have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: April 16, 2021

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.