

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 293

(Prince George's County Delegation)

Economic Matters

Prince George's County - Alcoholic Beverages - Shopping Center License
PG 303-20

This bill authorizes the Prince George's County Board of License Commissioners to issue a Class B-SC (shopping center) seven-day beer, wine, and liquor license for use in a restaurant located in a shopping center with a minimum area of 50,000 square feet and 10 retail units. A licensee is authorized to sell alcoholic beverages for on-premises consumption only. The bill specifies that the license is exempt from distance restrictions pertaining to a school building or place of worship. The annual license fee is \$3,025. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues increase by \$11,344 in FY 2021 and by \$15,125 annually thereafter from Class B-SC (shopping center) licenses issued under the bill. Prince George's County can monitor additional licenses with existing resources.

Small Business Effect: Minimal overall, but potential meaningful for a small business in Prince George's County that obtains a license under the bill.

Analysis

Bill Summary: A restaurant seeking a Class B-SC (shopping center) seven-day beer, wine, and liquor license must:

- be located in a permanent building with sufficient space and accommodations for preparing, serving, and selling hot meals to the public during the restaurant's hours of operation;
- have the minimum sanitary facilities required by the county health department regulations;
- meet the minimum health requirements adopted by the county health department regulations;
- have a dining area with sufficient tables, chairs, or booths to comfortably seat and accommodate up to 150 individuals;
- be equipped with a kitchen that has complete facilities and utensils for preparing hot and cold meals for the public;
- employ a sufficient number of cooks and wait staff;
- maintain and display a menu that advertises a variety of hot meals; and
- maintain sufficient food on the premises at all times to fill an order from the menu.

An applicant for the license must ensure that the average daily receipts of the restaurant from the sale of food and nonalcoholic beverages exceed the average daily receipts from the sale of alcoholic beverages. The license holder must submit to the board a monthly report of the restaurant's average daily receipts from the sale of food, nonalcoholic beverages, and alcoholic beverages to verify that the restaurant has met these requirements. The board may revoke the license if the requirements are not met.

The board must determine (1) the number of licenses to be issued; (2) to whom the licenses may be issued; and (3) the number of licenses each recipient may hold. The board may also approve the transfer of the ownership of a license for use at the same location but not for use at a different location. However, the board may not issue the license for use by a restaurant in a chain store, supermarket, discount house, drug store, or convenience store.

Current Law: In Prince George's County, the board is authorized to issue multiple types of Class B alcoholic beverages licenses to restaurants that allow the sale of beer, wine, or liquor, as specified under the type of license issued.

In general, the board may not issue an alcoholic beverages license for an establishment that is within 500 feet of a place of worship, or within 1,000 feet of a school building. This restriction does not apply to a:

- Class B (RT) (racetrack) beer, wine, and liquor license;
- Class BH (hotel) license;
- Class BLX license;
- Class BCE (caterer's) license;
- Class B-DD (development district) license;
- Class B-TP (theme park) license;
- Class B-AE (arts and entertainment) license; or
- per diem license.

The distance restriction does not apply to a Class B-ECF/DS license, Class D beer and wine license, and alcoholic beverages licenses in the cities of College Park and Laurel, as specified.

Background: In fiscal 2019, there were 616 alcoholic beverages licenses issued in Prince George's County, 317 of which were Class B-BWL licenses.

Local Fiscal Effect: Prince George's County revenues increase by \$3,025 for each Class B-SC (shopping center) license issued under the bill. Prince George's County advises that it initially anticipates issuing five Class B-SC (shopping center) licenses beginning in the second quarter of fiscal 2021. Therefore, Prince George's County revenues increase by approximately \$11,344 in fiscal 2021, and \$15,125 annually thereafter from increases in annual license fees under the bill.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Comptroller's Office; Prince George's County; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2020
mr/tso

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