

**Department of Fiscal Services**  
 Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 928 (Montgomery County Delegation)  
 Economic Matters Referred to Economic and Environmental Affairs

---

**Montgomery County - Alcoholic Beverages (Multiple Licenses - Issuance)**  
**MC 724-97**

---

This amended bill changes the conditions under which a Class B beer, wine, and liquor licensee in Montgomery County may obtain additional Class B beer, wine, and liquor licenses. A licensee may obtain an additional license, called an “incentive” license, if the applicant has a place of business located in the State and operates a restaurant as defined by the board of license commissioner’s regulations. The license fee for the incentive license is \$2,500. A licensee may also obtain an additional license, called a “5-year” license, if the applicant (1) has a place of business located in the State; (2) has been a holder of two Class B licenses that are not restricted by location; and (3) operates a restaurant. The license fee for the 5-year license is \$5,000.

The bill also decreases, from three years to one year, the required waiting period for Class B license holders to receive an additional Class B beer, wine, and liquor license. In addition, the bill changes the location requirements under which multiple Class B licenses may be issued in Silver Spring and Rockville. In Silver Spring, a restaurant must be located within a designated enterprise zone. In Rockville, a restaurant must be located within CBD zoned property within the town center mixed use district.

---

**Fiscal Summary**

**State Effect:** None.

**Local Effect:** If the bill’s changes allow for more Class B beer, wine, and liquor licenses to be issued in Montgomery County, revenues would increase by \$2,500 for each additional license issued (by \$5,000 for each additional 5-year license issued). No effect on expenditures.

**Small Business Effect:** Potential meaningful effect on small businesses as discussed below.

---

### Fiscal Analysis

**Small Business Effect:** The Montgomery County Board of License Commissioners issued 299 Class B beer, wine, and liquor licenses in 1996. The bill allows a licensee to obtain one additional Class B beer, wine, and liquor license if the applicant meets specified criteria. Although the number of licensees that are small businesses is unknown, the vast majority would fall into that category. Small business licensees that obtain additional Class B licenses would benefit from the sale of alcoholic beverages, and possibly from more exposure of their restaurants. These businesses would also experience an increase in costs due to the additional license fees. In addition, existing licensees could be negatively impacted through lower sales due to increased competition.

---

**Information Source(s):** Montgomery County, Department of Fiscal Services

**Fiscal Note History:** First Reader - March 3, 1997  
lc Revised - House Third Reader - April 4, 1997

---

Analysis by: Thomas Himler  
Reviewed by: John Rixey

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 841-3710  
(301) 858-3710