

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

House Bill 820 (Prince George's County Delegation)

Economic Matters

Prince George's County - Alcoholic Beverages - Additional Class B Licenses
PG 306-99

This bill authorizes the Prince George's County Board of License Commissioners to allow an individual, partnership, corporation, unincorporated association, or limited liability company to hold or have an interest in more than one Class B beer, wine, and liquor license if the restaurant for which the license is sought is located in specified areas that are underserved by restaurants. A license holder may not hold more than four licenses within all of the underserved areas; however, a fifth license may be issued if the application is made at least one year after the fourth license was obtained and a sixth license may be issued if the application is made at least one year after the fifth license was obtained.

A licensee may not hold or have an interest in more than one license located outside the underserved areas. The annual license fee for an additional Class B license is \$2,500. The license may only be used for on-sale consumption and the license applicant must be a resident of Prince George's County. Additional Class B licenses may not be issued to a licensed premises located in a chain store, supermarket, discount house, drug store, or convenience store. The maximum limits for the issuance of Class B licenses in the county apply to licenses issued in underserved areas.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues would increase by \$3,200 for each additional Class B license issued due to the license fee and application fee. The Board of License Commissioners could monitor the licensees with existing resources.

Small Business Effect: Potential meaningful.

Fiscal Analysis

Local Revenues: Prince George's County revenues would increase by \$3,200 for each additional Class B license issued in an underserved area. Each new license would generate a license fee of \$2,500 and an initial application fee of \$700. In the out-years, each license would generate only the annual license fee. At this time, the number of licenses to be issued is unknown.

Small Business Effect: Under current law, an alcoholic beverages licensee is limited to one Class B license. This bill will allow an individual, partnership, corporation, unincorporated association, or limited liability company to hold or have an interest in more than one Class B beer, wine, and liquor license in an area underserved by restaurants. Allowing multiple licenses to be held could lead to the development of new up-scale or chain restaurants in the Suitland Business District, Port Towns Business District, Indian Head Highway Corridor, Largo Area, or the National Harbor Area. Restaurants that are small businesses could be impacted depending upon the number of restaurants that would seek additional licenses. Existing small restaurants could be negatively affected by an increase in competition from new restaurants. On the other hand, small restaurants could be positively impacted by the ability to hold multiple licenses and expand operations.

Information Source(s): Prince George's County, Department of Legislative Services

Fiscal Note History: First Reader - February 23, 1999

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