

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 1026 (Prince George's County Delegation)
Economic Matters

Prince George's County - Alcoholic Beverages - Additional Class B Licenses
PG 308-00

This bill allows a licensee to hold or have an interest in more than one Class B beer, wine, and liquor on-sale only license if the restaurant for which the license is sought is located in specified areas that are currently underserved by restaurants. Licensees are allowed a maximum of six Class B licenses in the underserved areas, though they must wait a year after the fourth license is issued or transferred to acquire the fifth and another year after the fifth is issued or transferred to acquire a sixth. Licensees must be residents of Prince George's County and are allowed only one Class B license outside of the designated underserved areas. 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 licensing fee for additional Class B licenses is \$2,500.

Fiscal Summary

State Effect: None.

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

Small Business Effect: Potential meaningful.

Analysis

Current Law: The Prince George's County Board of License Commissioners may not issue more than one Class B license to an individual, partnership, corporation, unincorporated association, or limited liability company.

Local Revenues: Prince George's County revenues would increase by \$3,200 for each additional Class B license issued in the underserved areas, \$2,500 for the license and \$700 for the application fee. In the out-years, each license would generate only the annual license fee of \$2,500. Prince George's County does not expect the bill to result in more than a few additional licenses since the bill does not raise the overall number of Class B licenses that can be issued in the county.

Small Business Effect: The bill would 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 so long as the added licenses are in areas underserved by restaurants. Allowing multiple licenses to be held may lead to the development of new up-scale or chain restaurants in the Suitland Business District, the Port Towns Business District, or the Largo Area. Small restaurant businesses could be impacted depending upon the number of establishments that would seek additional licenses. Existing small restaurants could be negatively affected by an increase in competition from new restaurants, although if the bill results in restaurants locating near each other, creating a "restaurant area," all restaurants in the area could benefit from increased traffic.

Additional Information

Prior Introductions: A similar bill was introduced in the 1999 session as HB 820. The bill passed in the House but was not reported from the Senate Economic and Environmental Affairs Committee.

Cross File: None.

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

Fiscal Note History: First Reader - February 27, 2000
nncsjr Revised - Enrolled Bill - April 18, 2000

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