

**Department of Legislative Services**  
Maryland General Assembly  
2000 Session

**FISCAL NOTE**

House Bill 1058 (Montgomery County Delegation)

Economic Matters

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**Montgomery County - Alcoholic Beverages Licenses**  
**MC 5-00**

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This bill allows the holder of a Class B beer, wine, and liquor on-sale license in Montgomery County to obtain additional licenses for restaurants located in specified areas of the county. Additional licenses can be obtained for restaurants located in: (1) Montgomery County enterprise zones; (2) Germantown Town Center; (3) the City of Gaithersburg; and (4) Montgomery Village. In addition, an eligible licensee may obtain a maximum of two incentive licenses, one per licensed restaurant located in the four designated areas or the City of Rockville. In any case, a licensee may not hold more than six Class B restaurant licenses. The bill also adds two Montgomery County election districts, the second and the sixth, to those where a licensee's original licensed premises may be located.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Montgomery County revenues would increase by \$3,200 for each new Class B license issued due to licensing and application fees. The Montgomery County Board of License Commissioners could monitor licensees with existing resources.

**Small Business Effect:** Potential meaningful.

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**Analysis**

**Current Law:** A licensee may hold up to a maximum of four Class B licenses for

restaurants in Montgomery County, depending on where the licensed establishments are located.

**Local Revenues:** Montgomery County revenues would increase by \$3,200 for each additional Class B license issued, \$2,500 for the license fee and \$700 for the initial application fee. In the out-years, each license would generate only the annual license fee of \$2,500. The number of additional licenses Montgomery County would issue is unknown, though the county expects that up to ten new Class B licenses would be issued for restaurants in different areas of the county. If all ten additional licenses are issued in fiscal 2001, Montgomery County revenues would increase by \$32,000. Future year revenues would increase by \$25,000.

**Small Business Effect:** To the extent that adding licensed restaurants in certain areas of Montgomery County increases traffic to those regions, small businesses in the targeted areas would profit. Small businesses wishing to expand into the designated county regions would benefit and would also be rewarded with the possibility of obtaining an incentive license to be used anywhere in the county. Small restaurants around Montgomery County could be negatively impacted by the additional competition.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 1, 2000  
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