

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 1039 (Prince George's County Delegation)

Economic Matters

Prince George's County - Alcoholic Beverages - BLX License Requirements
PG 316-00

This bill increases to \$1 million the minimum capital investment in dining room facilities and kitchen equipment a restaurant must have in order to acquire a Class BLX (luxury type restaurant) license in Prince George's County.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal effect on Prince George's County revenues.

Small Business Effect: Potential minimal.

Analysis

Current Law: A restaurant must have a minimum capital investment of \$800,000 to acquire a BLX license. A licensee may hold up to six Class BLX licenses.

Local Revenues: Prince George's County revenues would decrease if licensees were unable to renew Class BLX licenses due to the increase in minimum required capital. There are 38 operating Class BLX licensees in the county, each providing a \$2,500 annual licensing fee. Most of the licensees are large corporations and it is not likely that the increased investment requirement would significantly affect the number of BLX licenses issued. If the increase in required capital investment results in fewer new BLX licenses issued, future revenues would be forgone.

Small Business Effect: Restaurants currently holding BLX licenses would be affected if they are forced to surrender their licenses or invest additional capital to retain their licenses.

Most BLX licensees, however, would not be considered small businesses.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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cm/jr

Analysis by: Mark Collins

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510