

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

Senate Bill 201 (Senator Baker)
Education, Health, and Environmental Affairs

Cecil County - Alcoholic Beverages - Restaurant Complex Licenses

This bill repeals the requirement that a restaurant that has a minimum capital investment of \$1 million exclusive of land that serves meals at least twice daily be part of a motel or a hotel in order to obtain an alcoholic beverages restaurant complex license with on-sale privileges for beer, wine, and liquor.

The bill is effective July 1, 2002.

Fiscal Summary

State Effect: None.

Local Effect: Cecil County revenues will increase by \$1,500 for each restaurant complex license issued.

Small Business Effect: Potential minimal.

Analysis

Current Law: In Cecil County, the Board of License Commissioners may issue a license known as a motel-restaurant complex license or a hotel-restaurant complex license for on-sale privileges of beer, wine, and liquor. The annual license fee is set at \$1,500 and may be issued to a person, firm, or corporation owning or leasing a restaurant complex that has a capital investment of not less than \$1,000,000 in the buildings excluding the land and has an enclosed dining room which serves full-course meals from menus twice daily. There are no changes to the license fee, the rules and regulations that govern the license, nor any changes to the capital investment requirement.

Restaurant alcoholic beverages licenses are issued throughout most jurisdictions in the State as a Class B license with varying conditions for minimum investment exclusive of land, seating requirements, and other restrictions and requirements. However, alcoholic beverages licenses with a special designation as a restaurant complex license or a deluxe restaurant license are issued by local boards of license commissioners in Baltimore, Charles, Harford, Howard, and Prince George's counties. In Prince George's County the Class BLX (luxury restaurant) license has a fee of \$2,750 and the minimum capital investment is \$1,000,000. In Harford County, the Class B Special Restaurant Complex license has a fee of \$5,000 and the minimum capital investment is \$800,000. In Howard County, the Class BLX (luxury restaurant) license has a fee of \$2,000 and the minimum capital investment is \$750,000. In Charles County, the Class BLX (luxury restaurant) license has a fee of \$2,000 and the minimum capital investment is \$550,000. In Baltimore County, the Class BDR (deluxe restaurant) license has a fee of \$1,000 and no minimum investment requirement.

Cecil County currently has a Class BLX (luxury restaurant) beer, wine, and liquor on-sale restaurant license that requires a minimum capital investment of \$600,000 in dining room facilities and kitchen equipment. The Class BLX license is issued outside the county's quota system.

Background: Cecil County advises that: (1) no hotel-restaurant or motel-restaurant licenses were ever issued in Cecil County; (2) the county anticipates restaurants to apply for the license in order to open businesses along the I-95 corridor; (3) the restaurant complex license will operate outside the county's quota system; and (4) it is unknown how many licenses will be applied for and granted to restaurant complexes meeting the license's minimum capital investment requirements.

Cecil County's alcoholic beverages license quota system allows for one alcoholic beverage license for every 400 registered voters. In Cecil County, the only licenses not subject to the quota system are licenses for fire departments, golf courses, and Class BLX (luxury restaurants).

Additional Information

Prior Introductions: None.

Cross File: None.

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

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lsc/hlb

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