

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

House Bill 571

(Prince George's County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Prince George's County - Alcoholic Beverages Licenses - Maximum Amounts
PG 346-04

This bill increases the number of alcoholic beverages licenses that may be issued by the Prince George's County Board of License Commissioners by 26. Specifically, the board is authorized to issue up to 45 Class B beer and light wine licenses; 185 Class B beer, wine, and liquor licenses; 25 Class BH beer, wine, and liquor licenses; and no Class B/Arena beer, wine, and liquor licenses. The bill also provides that any additional Class B license authorized by the bill does not have off-sale privileges.

The bill takes effect June 1, 2004.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues would increase by \$2,020 for each Class B beer, wine, and liquor license issued and by \$1,320 for each license renewed. Municipality revenues could increase minimally for each Class B beer, wine, and liquor license issued and renewed in a municipality.

Small Business Effect: Potential meaningful. Individuals seeking a Class B beer, wine, and liquor license would be positively affected by the increased availability of those licenses.

Analysis

Current Law: The Prince George's County Board of License Commissioners is authorized to issue a maximum of 38 Class B beer and light wine licenses; 170 Class B beer, wine, and liquor licenses; 20 Class BH licenses; and 1 Class B/Arena license.

The initial application fee in Prince George's County for an alcoholic beverages license is \$700. There is no renewal application fee for alcoholic beverages licenses in Prince George's County.

Municipal corporations in Prince George's County may impose an additional annual license fee, not exceeding 20% of the annual license fee payable to the county, on holders of alcoholic beverages licenses.

Background: The maximum numbers of Class B beer and light wine and Class B beer, wine, and liquor licenses were last increased, by Chapter 453 of 1997, from 35 to 38 and 164 to 170, respectively. The maximum number of Class BH licenses was last increased from 10 to 20 by Chapter 701 of 1985.

Chapter 837 of 1973 created the Class B/Arena license for issuance to the USAir Arena (formerly known as the Capital Centre); the USAir Arena was imploded on December 15, 2002.

Local Fiscal Effect: Prince George's County advises that as of February 2004 the county was scheduled to issue all of the remaining available Class B beer, wine, and liquor licenses allowed under current law but that Class B beer and light wine and Class BH beer, wine, and liquor licenses were still available.

Accordingly, Prince George's County revenues would increase by \$2,020 for each Class B beer, wine, and liquor license issued which includes the application fee (\$700) and annual license fee (\$1,320). County revenues would increase by \$1,320 for each license issued each year thereafter for the annual license fee.

Municipal revenues could increase by as much as \$264 for each Class B beer, wine, and liquor license issued in a municipality that exercises its authority to assess an additional license fee of up to 20% of the annual license fee charged by the county. Data on which municipalities in Prince George's County assess the additional license fee allowed under current law and the percentage of the fee charged by municipalities are not readily available; however, any amount of additional license fees collected by a municipality is assumed to be minimal.

Small Business Effect: Although the number of Class B beer, wine, and liquor licensees in Prince George's County that are small businesses is unknown, it is assumed that most would be considered small businesses. The bill increases the number of Class B beer, wine, and liquor licenses that could be issued in the county. Therefore, new small businesses could be created in Prince George's County, and the competition among alcoholic beverages licensees could increase.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 4, 2004
ncs/ljm Revised - House Third Reader - March 25, 2004

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