

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 1107  
Economic Matters

(Prince George's County Delegation)

Education, Health, and Environmental Affairs

---

**Prince George's County - Alcoholic Beverages - Additional Licenses**  
**PG 306-05**

---

This bill increases the number of alcoholic beverages licenses that may be issued in Prince George's County by 27. Specifically, the bill increases the number of Class B beer and light wine licenses that may be issued from 38 to 45; the number of Class B beer, wine, and liquor licenses that may be issued from 170 to 185; and the number of Class BH beer, wine, and liquor licenses that may be issued from 20 to 25. The new licenses issued under the authority of the bill would not have off-sale privileges.

---

**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Prince George's County annual license fee revenues could increase by \$41,400 beginning in FY 2006; the county could realize an additional \$18,900 in revenues in FY 2006 only. Expenditures would not be affected.

**Small Business Effect:** Overall minimal, but potential meaningful for a business able to acquire a license because of the increased number that may be issued.

---

**Analysis**

**Current Law:** The Prince George's County Board of License Commissioners may issue up to 38 Class B beer and light wine licenses; 170 Class B beer, wine, and liquor licenses; and 20 Class BH beer, wine, and liquor licenses.

**Background:** Chapter 343 of 1985 increased the number of Class BH beer, wine, and liquor licenses from 10 to 20. Chapter 453 of 1997 increased the number of Class B beer and light wine licenses that may be issued from 35 to 38, as well as the number of Class B beer, wine, and liquor licenses that may be issued from 164 to 170.

**Local Fiscal Effect:** The annual license fee for a Class B beer and light wine license is \$330; the annual license fee for a Class B beer, wine, and liquor license is \$1,320 (on-sale only); and the annual license fee for a Class BH beer, wine, and liquor license is \$3,850. Assuming all of the additional licenses would be issued in fiscal 2006, the total annual increase in license fee revenue would be \$41,360 beginning in fiscal 2006.

**Exhibit 1** shows the increase in license fee revenues for each type of license issued. Additionally, revenues would increase by \$700 for each license issued as a result of this authority for a one-time application fee. Assuming all of the new licenses would be issued in fiscal 2006, application fee revenues would increase by an additional \$18,900 in that year only. Prince George's County advises that monitoring of the additional licenses could be handled with existing resources.

---

**Exhibit 1**  
**New License Fee Revenues**

| <u>License</u>                  | <u>Additional Licenses</u> | <u>License Fee</u> | <u>Revenue Increase</u> |
|---------------------------------|----------------------------|--------------------|-------------------------|
| Class B beer and light wine     | 7                          | \$330              | \$2,310                 |
| Class B beer, wine, and liquor  | 15                         | 1,320              | 19,800                  |
| Class BH beer, wine, and liquor | 5                          | 3,850              | <u>19,250</u>           |
| <b>Total Revenue Increase</b>   |                            |                    | <b>\$41,360</b>         |

---

---

**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 18, 2005  
mp/ljm Revised - House Third Reader - April 6, 2005

---

Analysis by: Joshua A. Watters

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510