

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

House Bill 931
Economic Matters

(Prince George's County Delegation)

Education, Health, and Environmental Affairs

**Prince George's County - Metro Station Site Restaurant Development Act of
2006
PG 324-06**

This bill authorizes the Prince George's County Board of License Commissioners to allow an individual, partnership, corporation, unincorporated association, or limited liability company to hold or have an interest in more than one Class B beer, wine, and liquor license, if the restaurant is located in a transit district overlay zone of a metrorail station. The annual license fee for a license issued under this authority is \$2,500.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: None.

Local Effect: For each Class B beer, wine, and liquor license issued under this authority, Prince George's County license fee revenues would increase by \$2,500, as well as by a one-time application fee of \$700. Expenditures would not be affected.

Small Business Effect: Potential meaningful for restaurants that would be allowed to obtain a Class B beer, wine, and liquor license.

Analysis

Current Law: The Prince George's County Board of License Commissioners is authorized to allow an individual, partnership, corporation, unincorporated association, or

limited liability company to hold or have an interest in more than one Class B beer, wine, and liquor license in an area underserved by restaurants, including parts of the Largo area, Port Towns business district, and Suitland business district. With some exceptions, the licensee may not hold more than four Class B beer, wine, and liquor licenses within all of these areas.

Background: Prince George's County advises that it is trying to promote development in transit district overlay zones of metrorail stations and that the bill could attract restaurants to the areas. A transit district overlay zone encourages intensive land development in the vicinity of Metro stations to maximize transit ridership and reduce automobile use. Prince George's County advises that there are four transit district overlay zones in the county, including: the West Hyattsville Metro, the College Park Metro, the Prince George's Plaza Metro, and the New Carrollton Metro.

Prince George's County is authorized to issue up to 170 Class B beer, wine, and liquor licenses.

Local Fiscal Effect: For each new Class B beer, wine, and liquor license issued as a result of this authority, Prince George's County license fee revenues would increase by \$3,200 in the first year of issuance for an annual license fee (\$2,500) and a one-time application fee (\$700). For each of these licenses renewed, annual license fees would increase by \$2,500. The total impact of this authority cannot be reliably quantified at this time, as it would depend on how many restaurants that would choose to locate in transit district overlay zones and how many restaurants would apply for a Class B beer, wine, and liquor license under this authority. The cost of monitoring of the additional licenses should be absorbable within existing resources.

Additional Information

Prior Introductions: A similar bill was introduced as SB 948 during the 2005 session. It was assigned to the Senate Education, Health, and Environmental Affairs Committee, but no action was taken.

Cross File: None.

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

Fiscal Note History: First Reader - February 27, 2006
mll/hlb Revised - House Third Reader - March 31, 2006

Analysis by: Joshua A. Watters

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